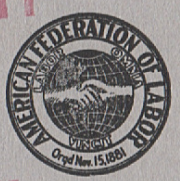


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REPORT
OF THE
Executive Council
OF THE
American Federation of Labor
TO THE
Sixty-Seventh Convention

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REPORT
OF THE
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American Federation of Labor
TO THE
Sixty-Seventh Convention



Cincinnati, Ohio
NOVEMBER 15, 1948

REPORT OF EXECUTIVE COUNCIL

CINCINNATI, OHIO,
NOVEMBER 15, 1948.

*To the Officers and Delegates of the Sixty-seventh Convention
of the American Federation of Labor,*

GREETINGS:

INTRODUCTION

As we prepare our 1948 Report, there is borne in on us the sense of suspense which pervades international relations and which is reflected in our national and personal decisions.

Peace has not followed human sacrifices on the battlefield nor has it followed from the operations of world political machinery—the United Nations—on which so much thought and effort were expended. On the contrary conferences between allied countries have proved futile due to irreconcilable conflicts in basic concepts of political institutions. Although we are in the fourth year following VE Day, the terms and conditions for the future of Germany and Austria are not yet determined. We know that peace cannot be maintained if we fail to keep faith with the principles of democracy, so we do not favor appeasement. We are also conscious of the tragedy of war which will utilize our most modern weapons. Because these facts underlie and direct the activity of any democratic organization planning its work for the future, we feel it fitting to begin our report on the year's work with a frank warning to this convention to make paramount in its deliberations the preservation of our free institutions.

We have recently been shocked by revelation of names and concrete details of a treacherous fifth column of citizens betraying secret information to a foreign government which openly avows its hostility and enmity to our way of life. It is difficult to deal with or fight a secret foe, whether in the govern-

ment, in the military forces, in our schools, or in our private institutions. However we do have some idea of the fanaticism we must meet when the Communist Party substitutes in homes and public places the pictures of Lenin and Stalin for the Russian holy icons.

To be victorious in this struggle against fanaticism and against those who uphold totalitarian policy, we must develop a new awareness of enemy activity and renew our allegiance to democratic principles—the sacred right of the individual to direct his own life as opposed to State control over the life of the individual.

The freedom we enjoy is a heritage won by the sacrifices of past generations. Many of the present generation have done little to serve either political or economic freedom. However, the majority of us know that freedom has reality only as exercised by individuals in living. Veteran members of the American Federation of Labor know the fight that had to be made to enjoy the rights which the Constitution of the United States guarantees to all men.

It is fitting that the American Federation of Labor take leadership in a re-dedication to the service of human freedom, with accompanying rights and responsibilities, by a revival of the revolutionary spirit which served to free us from foreign control. In the revolution in which our forefathers gained freedom, citizens organized themselves into Minute Men, each ready on notice to serve as required. Democracy now needs Minute Men in our struggle to retain freedom. Our important duty is to arouse fellow workers to a practical understanding of the fact that eternal vigilance is the price of freedom. Vigilance and preparedness are essential elements in all progress programs.

We urge that these serious warnings be made the background for all convention deliberations and recommendations.

SECRETARY-TREASURER MEANY'S REPORT

To the Officers and Delegates to the Sixty-Seventh Annual Convention of the American Federation of Labor.

GREETINGS: I have the honor to submit the report of the receipts and expenses for the past 12 months, beginning September 1, 1947, and ending August 31, 1948.

At the close of the fiscal year there was a balance on hand of \$910,720.49. Of this total, \$236,057.25 is in the defense fund for the local trade and federal labor unions and the balance, \$674,663.24 is in the general fund.

The total receipts from all sources, \$3,347,938.77; the total expenses, \$2,901,800.34. Amount of receipts over expenses, \$446,138.43.

The following are the receipts and expenses for the 12 months ending August 31, 1948.

RECEIPTS

Balance on hand, August 31, 1947.....		\$464,582.06
Per capita tax.....	\$2,498,977.80	
Paid subscriptions, American Federationist.....	3,718.88	
Per capita tax subscriptions, American Federationist	431,759.51	
Per capita tax from locals allocated to Defense Fund	245,526.72	
Initiation fees	79,309.44	
Reinstatement fees	2,479.00	
Supplies	18,304.11	
Interest	7.92	
Premiums on bonds of officers of unions bonded through A. F. of L.....	29,957.58	
Disbanded and suspended unions and miscellaneous receipts	25,230.32	
Voluntary assessment	12,667.49	
Total receipts	3,347,938.77	
Grand total	\$3,812,520.83	

EXPENSES

Organizing expenses	\$838,835.94	
Organizers' salaries	762,982.58	
Office employees' salaries.....	300,888.81	
Administrative salaries	93,084.92	
Miscellaneous general bills.....	502,019.02	
Printing and publishing American Federationist	178,378.48	
Assessment expense	2,405.24	
Defense Fund	198,380.00	
Premiums on bonds of officers of unions bonded through A. F. of L.....	24,825.35	
Total expenses	2,901,800.34	
Balance on hand, August 31, 1948.....	\$ 910,720.49	

RECAPITULATION

In General Fund.....	\$ 674,663.24
In Defense Fund for local trade and federal labor unions..	236,057.25
Balance on hand, August 31, 1948.....	<u>\$ 910,720.49</u>

EXPENSES GROUPED

The following is a grouping under their respective heads of the detailed monthly expenses for the 12 months ending August 31, 1948:

Rent	\$ 27,640.41
Refund, charter and outfit, per capita tax, supplies, etc....	1,032.58

Premiums:

Bonds, local unions.....	24,825.35
Secretary-Treasurer's bond	202.50
Insurance, Workmen's Compensation.....	2,357.71
Forgery, burglary, robbery.....	30.00
D. C. personal tax.....	460.42
Social Security old age benefit tax.....	8,327.48
Canadian and States' unemployment tax.....	3,344.75
Federal pay roll tax.....	2,442.00
Expressage, freight and drayage.....	1,332.41
Legislative salaries and expenses.....	27,678.98
Newspapers, magazines and books (library).....	3,168.40
Office equipment and supplies.....	13,832.18
Research Statistical Service (supplies and miscellaneous) ..	2,429.07
Postage stamps	17,765.59
Supplies for resale.....	8,694.42

Printing:

Bound proceedings	11,732.26
General	39,097.77
Convention roll call.....	702.97
Convention daily proceedings.....	12,837.71
Convention miscellaneous	821.90
A. F. of L. Weekly News Service.....	17,743.72
Miscellaneous expenses	12,387.92
Paper supply and envelopes (mailing department).....	2,703.14
Mailing equipment	1,489.95
Office furniture and fixtures.....	1,997.29
Telegrams and telephone.....	19,429.60
Fraternal delegates to British Trades Union Congress and Canadian Trades and Labor Congress.....	5,114.08

San Francisco Convention:

Entertaining fraternal delegates.....	1,342.14
Messengers, sergeant at arms and assistant secretary	650.00
Supplies	163.43
Rooms (office, committee, press, E. C. meetings).....	2,101.91
Entertaining guests, receptions and dinners.....	1,713.84

Stenographers and clerks.....	\$13,061.39
Official stenographers	3,541.12
Rental of office furniture.....	268.20
Telegrams, telephone, stamps, handling convention mail, porters, miscellaneous, etc.....	2,983.69
Auditing and Credentials Committee.....	983.74
Delegates, guests, committee and officers' badges....	2,050.62

Salaries:

President	20,000.00
Secretary-Treasurer	18,000.00
Secretary-Treasurer Emeritus	6,000.00
Office employees	300,888.81

Expenses:

Executive Council meetings, telegrams, typewriter rental, baggage, stenographers, etc.....	43,715.97
President, traveling	9,228.53
Secretary-Treasurer, traveling	9,274.58

Defense Fund:

Transfer to Trustee Building Fund.....	30,000.00
Workers' Education Bureau.....	10,000.00
Strike benefits	158,380.00

Per capita tax:

Inter-American Confederation of Labor.....	23,158.28
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Per capita tax for directly affiliated local unions:

Metal Trades Department.....	1,473.22
Union Label Trades Department.....	321.55
Trades and Labor Congress of Canada.....	1,728.13

Organizers' salaries	762,982.58
Organizers' expenses	838,835.94

AMERICAN FEDERATIONIST:

Cost of printing	166,720.78
Postage	8,132.58
Story for Junior Federationist.....	260.00
Photographs	2,706.90
Miscellaneous	558.22

Legal services	53,544.79
Publicity salaries and expenses.....	45,668.99
European representative, salary and expenses.....	12,179.62
International Labor Relations Committee.....	2,178.99
Special committees and conferences.....	15,871.12
Lima Conference	12,096.72
I. L. O. Conference.....	4,978.66

Contributions:

Free Trade Union Committee.....	24,965.78
D. C. Tuberculosis Association.....	50.00
National Foundation for Infantile Paralysis.....	1,066.00

American Red Cross.....	\$500.00
Employes' Retirement Fund.....	9,120.72
Jewish Labor Committee.....	1,000.00
Community Chest Federation.....	300.00
National Committee on the Status of Women.....	25.00
The American Heritage Foundation.....	2,000.00
The Amer. Com. to Aid Univ. of Nymegen.....	1,000.00
Special Campaign Against Anti-Labor Legislation (Misc.)	2,405.24
Total.....	\$2,901,800.34

ORGANIZING EXPENSES

*** During the twelve (12) months ending August 31, 1948, the American Federation of Labor expended in organizing activities \$1,601,818.52. Of this amount \$826,717.13 was spent in organizing and services for directly affiliated trade and federal labor unions; the balance, \$775,101.39, was incurred in the formation and assistance of newly formed local unions of national and international unions and in activities in behalf of state federations of labor and city central bodies.

DEFENSE FUND

FOR

LOCAL TRADE AND FEDERAL LABOR UNIONS

The following is a statement of the amounts received from and paid to our local trade and federal labor unions, giving average membership, number of weeks' benefit and the amount received for the past 12 months, beginning September 1, 1947, and ending August 31, 1948. During the year, \$30,000.00 was transferred from the Defense Fund to the Trustee Fund.

RECEIPTS

Receipts from local trade and federal labor unions for the	
Defense Fund	\$244,679.72
Refund of strike benefits.....	847.00
Total Receipts.....	\$245,526.72

EXPENSES

Number	Name	Location	No. of weeks	Aver. Mem.	
23202	Broom and Brush Workers, Portland, Ind...		2	32	\$448.00
20991	Flour, Feed, Seed, Cereal and Elevator Workers, Wichita, Kans.....		6	144+	6,069.00
23823	Federal Labor, Newark, Ohio.....		1	224	1,568.00
22682	Feed Mill Workers, Waverly, N. Y.....		6	301	1,806.00
23832	Federal Labor, Gloucester, Mass.....		5	89+	3,122.00
22812	Rubber Workers, Canton, Mass.....		2	462	6,468.00
21021	Flour Mill Workers, Buffalo, N. Y.....		1	984	6,888.00
22254	United Saw, File and Steel Products Workers, Philadelphia, Pa.....		1	2493	17,451.00
10634	Cemetery Employes, San Francisco, Calif...		1	194	1,358.00
21206	Federal Labor, Wilmington, Ill.....		1	246	1,722.00
22458	Federal Labor, Cairo, Ill.....		6	37+	1,561.00
19788	Specialty Brass Employes, Kenosha, Wis....		1	106	742.00
18887	Federal Labor, Philadelphia, Pa.....		7	1729+	84,763.00
20546	Federal Labor, Peru, Ill.....		1	27	189.00
24245	Federal Labor, Graniteville, Mass.....		5	80	2,800.00
18558	Federal Labor, LaCrosse, Wis.....		2 1/2	434+	7,823.00
22095	Optical Workers, Cleveland, Ohio.....		2	14	196.00
18548	Saw Smiths, Indianapolis, Ind.....		1	58	406.00
					\$145,380.00

Amount disbursed for relief to members of striking unions:

23237 Federal Labor, Jacksonville, Ill.....	\$1,000.00
24314 Federal Labor, Terre Haute, Ind.....	500.00
22485 Federal Labor, Le Roy, Pa.....	1,000.00
22458 Federal Labor, Cairo, Ill.....	500.00
18887 Federal Labor, Philadelphia, Pa.....	10,000.00
Workers Education Bureau.....	10,000.00
Total Expenses.....	<u>\$168,380.00</u>

RECAPITULATION

Balance in Defense Fund for local trade and federal labor unions, August 31, 1947.....	\$188,910.53
Transfer from Defense Fund to Trustee Fund.....	30,000.00
Balance Defense Fund.....	<u>\$158,910.53</u>
Receipts for 12 months ending August 31, 1948.....	245,526.72
Total	<u>\$404,437.25</u>
Strike benefits	\$145,380.00
Assistance to members of striking unions.....	13,000.00
Affiliation fee (Workers Education Bureau)....	10,000.00
Total	<u>\$168,380.00</u>
Balance in Defense Fund for local trade and federal labor unions, August 31, 1948.....	<u>\$236,057.25</u>

STATEMENT OF MONTHLY RECEIPTS AND EXPENSES
OF THE
SECRETARY-TREASURER OF THE
AMERICAN FEDERATION OF LABOR
ALSO A STATEMENT SHOWING HOW BALANCE ON
HAND IS DEPOSITED AND INVESTED

Months	Receipts	Expenses
September, 1947	\$ 215,258.84	\$ 242,811.48
October, 1947	198,842.21	231,922.47
November, 1947	249,681.62	208,462.18
December, 1947	247,744.38	244,473.38
January, 1948	257,178.38	198,856.93
February, 1948	270,439.76	239,509.72
March, 1948	351,748.94	244,937.25
April, 1948	334,651.28	247,078.40
May, 1948	270,429.18	227,037.96
June, 1948	323,120.93	248,119.46
July, 1948	301,608.54	291,909.26
August, 1948	327,234.71	276,681.85
Total	<u>\$3,347,938.77</u>	<u>\$2,901,800.34</u>

Balance in hands of Secretary-Treasurer

August 31, 1947..... \$ 464,582.06

Grand total \$3,812,520.83

RECAPITULATION

Total receipts	\$3,812,520.83
Total expenses	<u>2,901,800.34</u>

Balance on hand August 31, 1948..... \$ 910,720.49

Monies deposited and invested as follows:

U. S. Savings Bonds, Maturity May 1, 1960.....	\$100,000.00
Federation Bank & Trust Co., New York (Subject to check)	2,000.00
Union Labor Life Insurance Co. (Stock).....	15,000.00
City Bank (Subject to check).....	5,000.00
Union National Bank, Newark, N. J. (Subject to check)...	10,000.00
Riggs National Bank (Subject to check).....	<u>778,720.49</u>

Secretary-Treasurer's balance August 31, 1948..... \$910,720.49

CHARTERS ISSUED

During the twelve months ending August 31, 1948, there have been issued 129 charters to national, central, local trade and federal labor unions; of this number one was issued to the following national union:

American Federation of Grain Millers.

Central Bodies as follows:

Alabama	North Carolina
Huntsville	Plymouth
Arizona	Oregon
Douglas (Cochise County)	Yamhill County
Arkansas	Pennsylvania
Texarkana (Arkansas-Texas)	Clearfield County
Clarksville	New Kensington
	Williamsport
	York County
Kansas	Tennessee
Chanute	Bristol, Virginia
Minnesota	West Virginia
New Ulm	Bluefield
New York	McDowell County
Beacon	Wisconsin
Kingston (Ulster County)	Stoughton & Edgerton

The following is a statement showing the number of charters issued during the twelve months of this fiscal year.

	1947-1948
National	1
Central Labor Unions.....	18
Local Trade Unions.....	54
Federal Labor Unions.....	56
Total.....	129

Directly Chartered Local Trade and Federal Labor Unions

On August 31, 1948, we had 1,246 local trade and federal labor unions with an average membership for the fiscal year of 239,865 and a defense fund of \$236,057.25

The Federation has volunteer organizers, as well as 183 paid organizers and the officers of the 808 city central bodies that are ready at all times to respond to a call to assist the members of directly affiliated unions in the case of strike or lockout.

There was received a total per capita tax for defense fund purposes from the local unions during the year of \$245,526.72; initiation fees, \$79,309.44, and reinstatement fees, \$2,479.00.

Charters Revoked, Cancelled, Suspended, Surrendered, Disbanded, Merged, Amalgamated, Joined International Unions and Reinstated

CENTRAL BODIES: Amalgamated, 1.

LOCAL TRADE UNIONS: Disbanded, 14; suspended, 52; joined national and international organizations, 101; amalgamated, 2; reinstated, 25.

FEDERAL LABOR UNIONS: Disbanded, 15; suspended, 38; joined national and international organizations, 7; amalgamated, 1; reinstated, 8.

INTERNATIONAL UNIONS: Dropped, 1—United Mine Workers of A.; National Federation of Rural Letter Carriers amalgamated with National Association of Letter Carriers; chartered, 4: Radio Directors Guild, Brotherhood of Railroad Signalmen, Railroad Yardmasters of America, Air Line Dispatchers Association.

TOTAL MEMBERSHIP of AFFILIATED UNIONS

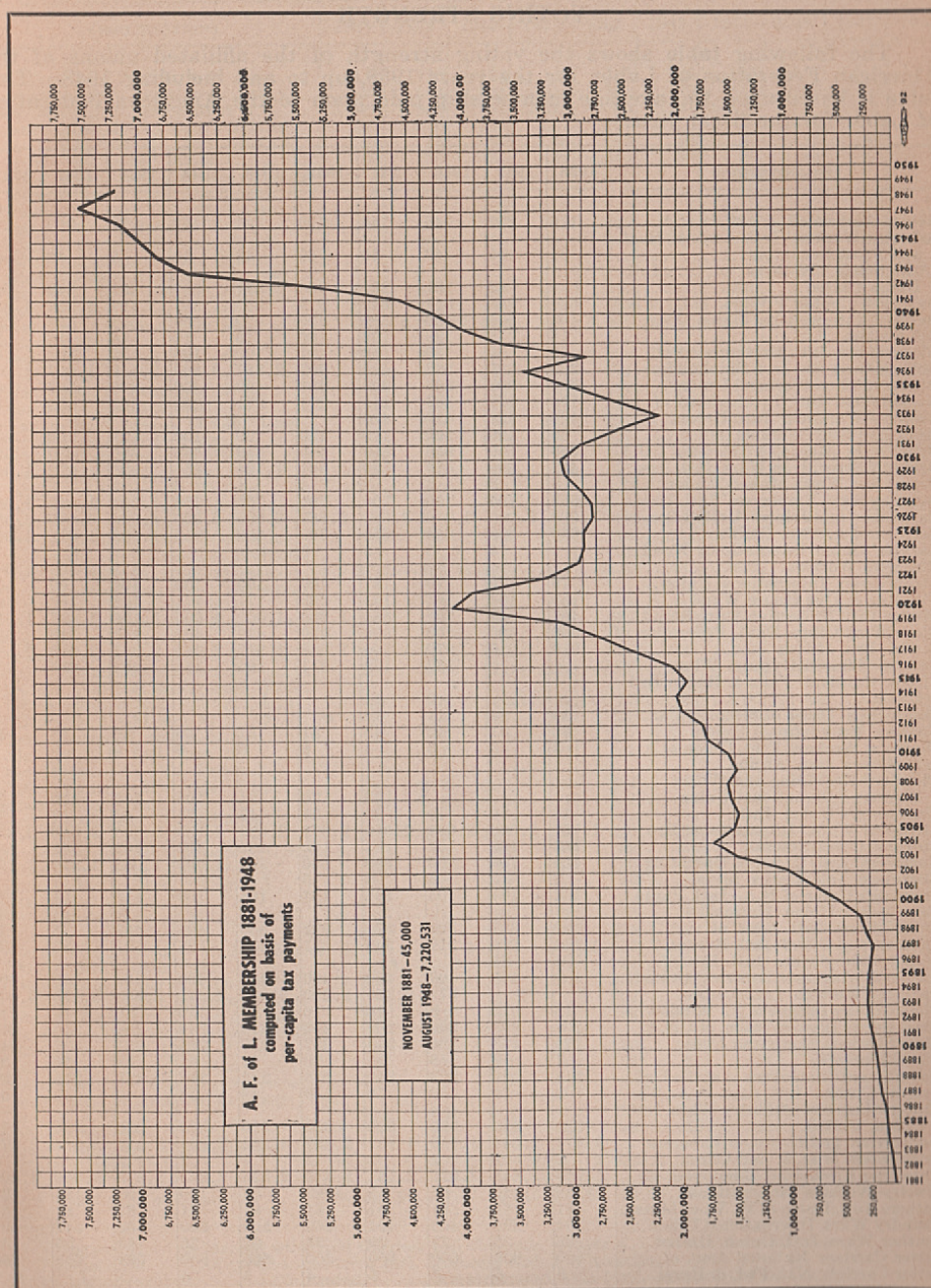
The total paid membership of the affiliated national and international organizations and the directly chartered trade and federal labor unions as of August 31, 1948, is 7,220,531.

This is based on actual per capita tax received at our office in Washington from our affiliated unions.

The following is the yearly membership in the past 51 years:

Year	Membership	Year	Membership
1897.....	264,825	1923.....	2,926,468
1898.....	278,016	1924.....	2,865,799
1899.....	349,422	1925.....	2,877,297
1900.....	548,321	1926.....	2,803,966
1901.....	787,537	1927.....	2,812,526
1902.....	1,024,399	1928.....	2,896,063
1903.....	1,465,800	1929.....	2,933,545
1904.....	1,576,200	1930.....	2,961,096
1905.....	1,494,300	1931.....	2,889,550
1906.....	1,454,200	1932.....	2,532,261
1907.....	1,538,970	1933.....	2,126,796
1908.....	1,586,885	1934.....	2,608,011
1909.....	1,482,872	1935.....	3,045,347
1910.....	1,562,112	1936.....	3,422,398
1911.....	1,761,835	1937.....	2,860,933
1912.....	1,770,145	1938.....	3,623,087
1913.....	1,996,004	1939.....	4,006,354
1914.....	2,020,671	1940.....	4,247,443
1915.....	1,946,347	1941.....	4,569,056
1916.....	2,072,702	1942.....	5,482,581
1917.....	2,371,434	1943.....	6,564,141
1918.....	2,726,478	1944.....	6,806,913
1919.....	3,260,068	1945.....	6,931,221
1920.....	4,078,740	1946.....	7,151,808
1921.....	3,906,528	1947.....	7,577,716
1922.....	3,195,635	1948.....	7,220,531

So that the delegates and membership at large may visualize the membership record at a glance, a chart follows on the next page indicating the membership, based on per capita tax payments received, for each year since 1881 up to and including 1948—a total of 68 years.



VOTING STRENGTH

The following table shows the voting strength of the affiliated unions of the American Federation of Labor for the years 1938, up to and including 1948. This table is based upon the average membership paid upon to the American Federation of Labor for the fiscal year.

ORGANIZATIONS	1938	1939	1940	1941	1942	1943	1944	1946	1947	1948
Actors Associated & Artists of A.	176	201	146	148	190	177	160	237	360	297
Asbestos Workers' Intl. Assn. of Heat and Frost Insulators	35	40	40	40	40	40	40	40	40	47
*Automobile Workers of A. Intl. Union United.	†	42	191	261	368	431	507	431	549	586
Bakery & Confectionery Wkrs. I. U. of A.	621	730	811	844	919	869	897	1,107	1,223	1,288
Barbers' International Union Jour.	465	475	490	490	490	492	500	503	558	586
Bill Posters	16	18	29	30	30	16	16	16	16	16
Blacksmiths Intl. Brotherhood of	50	50	50	50	92	100	100	100	100	100
Boilermakers and Iron Shipbuilders	280	290	332	426	903	2,867	3,369	2,417	1,667	1,500
Boot and Shoe Workers' Union	308	308	308	308	390	400	400	400	467	500
Bookbinders Intl. Brotherhood of	174	177	187	219	271	271	289	362	434	473
Brewery Workmen Intl. Union	420	420	420	420	†	†	†	†	†	†
Brick and Clay Workers etc.	50	100	100	115	130	100	100	122	206	230
Bricklayers Masons & Plasterers' I.U.A.	650	650	650	650	650	650	650	650	650	650
Bridge & Struct. Iron Wkrs. Intl. Assn.	413	395	413	520	861	1,124	1,056	923	972	1,042
Broom and Whisk Makers' Union Intl.	3	3	3	3	4	3	3	4	5	5
Building Serv. Employees' Intl. Union.	658	700	700	700	700	700	700	1,202	1,447	1,500
Carpenters and Joiners' United Bro. of.	3,000	3,000	3,000	3,000	3,667	6,000	6,000	6,000	6,000	6,000
Carmen of A. Bro. Railway	650	650	650	650	700	800	958	1,008	1,087	1,070
Carvers' Union International Wood.	4	4	3	3	3	†	†	†	†	†
Chemical Workers	70	70	70	87	100	100	100	413	509	587
Cigarmakers' International Union	159	164	164	164	169	171	171	176	183	184
Cleaning & Dye House Wkrs.	467	653	737	854	1,000	1,000	1,000	1,196	1,637	1,854
Clerks Intl. Protective Assn. Retail.	380	400	400	400	450	429	400	458	540	685
Clerks Post Office Nat'l. Federation of.	910	910	970	1,100	1,558	1,917	2,042	2,292	2,500	2,500
Cement Lime & Gypsum Wkrs.	132	168	211	190	180	204	286	328	328	328
Circus Carnival Fairs & Rodeo Intl. Union.	14	14	14	14	†	†	†	†	†	†
Conductors Order of Sleeping Car.	36	41	42	45	51	51	50	68	68	68
Coopers' International Union	3	3	3	4	6	6	6	6	6	8
Diamond Workers' Prot. Union of A.	2	3	3	3	3	†	†	†	†	†
Dispatchers Assn. Airline	18	19	19	22	34	47	71	62	57	53
Distillery Rectifying and Wine Workers International Union.	1,750	2,003	2,097	2,010	2,079	2,529	3,129	3,300	3,300	3,300
Draftsmen's Union Intl.	102	102	102	102	102	102	102	102	102	102
Electrical Wkrs. International Bro.	420	708	800	800	800	933	1,000	1,083	1,250	1,292
Elevator Constructors	2	3	3	3	3	†	†	†	†	†
Engineers Intl. Union of Operating	102	104	105	105	108	108	109	116	121	125
Engravers Intl. Union Metal	300	307	389	371	382	360	405	455	475	541
Engravers Union of N.A. Intl. Photo.	254	268	312	343	411	475	527	581	586	580
Farm Labor Union National	35	35	400	400	400	400	400	400	400	400
Fire Fighters Intl. Assn. of	400	400	400	400	400	400	400	400	400	400
Firemen and Oilers Intl. Bro. of	†	†	375	2,250	2,250	2,250	2,375	2,500	3,125	3,500
Foundry Employees Intl. Bro. of	12	12	8	16	16	16	16	16	16	16
Garment Workers of America United.	200	200	200	200	203	240	240	286	350	360
Garment Workers Intl. Ladies	179	178	186	203	237	217	256	291	327	313
Glass Cutters League of A. Window	7	9	16	19	28	31	31	33	36	36
Glass Bottle Blowers' Assn. of U.S.&C.	212	226	223	240	236	242	268	325	305	288
Glass Workers American Flint	50	50	50	50	50	43	40	40	40	40
Glove Workers	225	300	320	320	320	320	320	320	320	320
Government Employees Am. Fed. of.	1,477	1,544	1,619	1,837	2,837	4,202	3,331	2,417	2,587	2,675
Granite Cutters' Intl. Assn. of A. The.	2	2	2	2	2	2	2	2	3	3
Hatters Cap and Millinery Wkrs. Intl. Union United.	1,759	1,848	2,025	2,141	2,420	2,328	2,245	2,873	3,656	3,806
Hodcarriers and Common Laborers	45	40	45	55	83	83	69	93	125	128
Horsehoers of U. S. and Can.	81	81	81	81	81	81	81	81	81	84
Hotel and Restaurant Employees etc.	194	292	400	404	450	500	500	500	517	600
Jewelry Workers' International	25	25	25	29	33	32	28	40	35	30
Lathers Intl. Union of W. W. of Metal.	600	600	600	600	600	600	600	608	650	650
Laundry Wkrs. International Union	6	6	5	5	4	4	4	5	f	f
Letter Carriers Intl. Union United.	6	6	5	5	4	4	4	5	f	f
Letter Carriers National Assn. of.	6	6	5	5	4	4	4	5	f	f
Letter Carriers Nat. Fed. of Rural.	6	6	5	5	4	4	4	5	f	f

ORGANIZATIONS	1938	1939	1940	1941	1942	1943	1944	1946	1947	1948
Lithographers' Intl. P. & B. Asso.	112	123	124	129	139	136	137	†	†	†
Longshoremen's Association Intl.	624	663	621	615	631	539	610	690	735	706
Machinists Intl. Association of.	1,901	1,900	1,901	2,218	3,285	4,584	6,659	†	†	†
Maintenance of Way Emp's I. B. of.	523	576	633	657	969	1,185	1,169	1,441	1,563	1,554
Marble Polishers etc. Intl. Assn. of.	55	55	55	55	55	48	45	45	45	45
Masters Mates and Pilots	30	30	30	30	30	30	30	43	48	50
Master Mech's. and Foremen of Navy Yds. & Naval Sta's Nat'l Assn. of.	1	1	2	2	3	3	3	5	5	5
Messengers Spec. Del. Nat'l Assn.	11	9	9	9	9	9	9	12	18	20
Meat Cutters & Butcher Workmen	521	629	709	849	948	971	1,005	1,269	1,552	1,646
Metal Workers' Intl. Assn. Sheet.	198	200	200	200	204	250	250	250	250	297
Millers American Fed. of Grain	†	†	†	†	†	†	†	4,000	6,000	†
*Mine Workers of America United.	350	350	350	350	350	350	350	†	†	†
Mine Wkrs. of A. Intl. Progressive.	277	233	304	421	621	619	657	678	683	650
Molders Union of N. A. Intl.	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,754	2,281
Musicians American Federation of.	994	1,002	1,002	1,049	1,226	1,328	1,397	1,536	1,702	1,733
Office Employees	163	206	243	258	271	262	344	400	400	400
Painters of America Bro. of.	68	70	74	80	97	107	110	110	110	110
Papermakers United Bro. of.	10	10	10	11	14	17	27	45	56	60
Patternmakers' League of N. A.	191	194	191	212	250	250	250	250	250	250
Pilot Assn. Air Line (Intl.)	377	400	400	454	525	650	1,300	2,000	1,667	1,500
Plasterers' Intl. Assn. of U.S.&C Oper.	70	70	70	70	100	100	100	117	167	180
Plumbers Steamfitters etc.	60	60	66	72	77	87	90	100	100	100
Polishers Intl. Union of Metal.	100	100	100	100	122	144	150	150	150	154
Porters Pro. Sleeping Car	12	15	15	15	15	15	15	15	17	15
Pocketbook & Novelty Workers	120	130	140	160	178	215	215	215	215	215
Post Office & Railway Mail Handlers National Association	2	2	1	1	2	d	d	d	d	d
Potters National Bro. of Operative.	372	396	437	457	476	485	493	634	703	743
Powder and High Explosive Workers.	9	9	7	10	8	9	11	15	13	12
Printing Pressmen International	300	322	400	442	567	600	613	772	1,000	1,067
Printers' Die Stampers & Engravers' Union of N. A. Intl. Plate.	790	797	800	807	878	988	1,048	1,145	1,150	1,183
Pulp Sulphite and Paper Mill Wkrs.	217	217	221	227	229	218	218	227	247	253
Radio Directors Guild	40	40	40	44	57	70	80	86	107	115
Railway Employees Amal. S. & E.	22	110	187	200	292	300	300	450	450	450
Railway Mail Association	8	7	6	6	†	†	†	†	†	†
Roofers Damp & Waterproof Wkrs. Assn. United Slate Tile & Comp.	1	1	1	1	1	1	1	1	1	1
B-Seafarers Intl. Union of N. A.	40	40	40	44	57	70	80	86	107	115
Sheep Shearers Union of N. A.	22	110	187	200	292	300	300	450	450	450
Siderographers Intl. Assn. of.	8	7	6	6	†	†	†	†	†	†
*Signalmen of A. Bro. Railroad.	1	1	1	1	1	1	1	1	1	1
State County & Municipal Emp.	200	257	297	337	356	360	460	670	883	783
Spinners Union Intl.	5	5	5	5	5	5	5	5	5	5
Stage Employees Intl. Alliance	278	420	420	420	420	420	420	420	420	420
Theatrical	87	83	83	86	88	89	88	93	100	104
Stereotypers & Electrotypers' of U.ofA.	42	41	41	41	20	19	19	19	19	19
Stonecutters Assn. Journeymen	36	42	49	53	80	80	100	100	100	100
Stove Mounters' Intl. Union	83	78	81	80	85	88	93	92	89	93
Supervisors etc.	221	256	300	267	229	229	252	306	348	400
Switchmen's Union of N. A.	2,21	3,500	3,937	4,083	5,056	6,029	6,292	6,250	6,250	6,250
Teachers Am. Fed. of.	3,092	3,500	3,937	4,083	5,056	6,029	6,292	6,250	6,250	6,250
Teamsters Chauffeurs etc. Intl. Bro. of.	29	35	35	40	71	107	187	248	328	350
Telegraphers Commercial	350	350	350	333	300	300	300	300	300	300
Telegraphers Order of Railroad.	†	*	36	152	353	408	372	500	600	600
*Textile Workers of America United.	143	147	180	178	182	210	220	220	220	220
Tobacco Wkrs. Intl. Union of Amer.	794	792	†	†	†	†	53	640	640	640
*Typographical Union International.	110	110	148	160	160	160	250	277	420	420
Upholsterers Intl. Union of.	30	31	31	31	31	31	28	27	40	36
United Wall Paper-Crafts of N. A.	3	3	3	4	4	4	4	3	3	3
Wire Weavers' Protective American.	792	806	816	800	780	758	749	767	786	808
Yardmasters of America Railroad.	49	49	49	49	49	50	50	50	50	50
Centrals	2,314	2,465	2,471	2,587	2,939	3,301	3,633	2,617	2,923	2,601
State Branches	2,314	2,465	2,471	2,587	2,939	3,301	3,633	2,617	2,923	2,601
Directly affiliated local trade and Federal labor Unions	36,656	39,267	41,146	45,332	53,029	63,362	68,184	68,552	76,331	72,311

GOMPERS MEMORIAL FUND

By direction of the Forty-eighth Annual Convention of the American Federation of Labor and the Executive Council, an appeal was issued under date of December 26, 1928, for the collection of funds for the erection of a memorial to Samuel Gompers.

Receipts from December 20, 1924, to and including August 31, 1948	\$136,375.30
Expenses, January 12, 1929, to and including August 31, 1948	122,728.87
Balance on hand August 31, 1948.....	<u>\$13,646.43</u>
Funds deposited as follows:	
Riggs National Bank checking account.....	\$13,646.43
Balance on hand August 31, 1948.....	<u>\$13,646.43</u>

CONCLUSION

I desire to express my sincere appreciation for the cooperation and assistance extended to me in the performance of my duties by the officers of the National and International Unions and of all our affiliated bodies, and by my colleagues of the Executive Council.

Respectfully submitted,

George Meany

Secretary-Treasurer, American Federation of Labor.

REPORT OF TRUSTEES

of

A. F. of L. BUILDINGS

To the Executive Council of the American Federation of Labor:

The following is a report of the receipts and expenses for the 12 months ending August 31, 1948:

RECEIPTS

Cash Balance on hand August 31, 1947.....	\$30,614.57
Sale of Mt. Vernon Stock.....	1,218.00
Transfer from Defense Fund.....	30,000.00
Total	<u>\$61,832.57</u>
Rents—901 Massachusetts Ave... \$41,223.91	
Rents—1525 H Street..... 4,185.00	
	<u>\$45,408.91</u>
Dividends	24.36
Sale of waste paper.....	112.48
Sale of obsolete equipment.....	65.00
Total receipts	<u>\$45,610.75</u>
Receipts and balance.....	\$107,443.32

EXPENSES

Maintenance—901 Massachusetts Avenue:	
Pay Roll (Building Employees).....	\$28,876.50
Taxes	3,426.60
Electricity	1,554.35
Fuel (coal)	1,474.19
Supplies	1,435.95
Upkeep and repairs.....	3,019.40
Plastering and painting.....	1,631.16
Cleaning windows	540.00
Insurance	249.13
Water rent	348.02
Hauling ashes and trash.....	240.00
Upkeep and repairs of elevators.....	1,134.03
A. F. of L. Emp. Retirement Annuity Trust Fund	759.06
D. C. Unemployment Compensation.....	13.94
Social Security Tax:	
Old Age Benefits.....	272.99

Maintenance—1525 H Street:

Pay Roll (Building Employees).....	\$756.00
Remodeling	31,501.76
Supplies	1,058.95
Hauling trash	13.00
Gas	288.47
Taxes	10,869.40
Cleaning	198.38
Electricity	242.98
Water rent	13.68
Coal	124.00
Cleaning windows	115.00
Upkeep and repairs.....	2,298.54
Special police service.....	46.00
Insurance	510.10
Telephone service	19.26

Total expenses \$93,030.84

Balance on hand August 31, 1948..... \$14,412.48

RECAPITULATION

Receipts and balance.....	\$107,443.32
Expenses	93,030.84

Balance on hand August 31, 1948..... \$14,412.48

Monies deposited as follows:

Riggs National Bank.....	\$14,412.48
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This report of the trustees of the A. F. of L. Buildings is submitted to you, the Executive Council, and through you to the convention and the rank and file of the A. F. of L. We have performed the duty assigned to us with the best interest of the Federation in view.

Fraternally submitted,

WILLIAM GREEN,
GEORGE MEANY,
JOHN P. FREY,
Trustees, A. F. of L. Buildings.

REPORT OF TRUSTEES

American Federation of Labor Employees' Retirement
Annuity Trust Fund

For the Period September 1, 1947, to August 31, 1948

RECEIPTS

Balance on hand, August 31, 1947.....	\$297,443.80
A. F. of L. weekly contributions.....	\$10,321.00
Employees' weekly contributions.....	10,321.00
Interest on U. S. Treasury Bonds.....	7,362.50
Total Receipts	28,004.50

Total Receipts and Balance..... \$325,448.30

DISBURSEMENTS

Benefits paid	\$668.28
Withdrawals paid	537.64
Total Disbursements	1,205.92

Balance on hand, August 31, 1948..... \$324,242.38

ALLOCATION OF INTEREST

Investment Earnings Clearing Account

Balance on hand, August 31, 1947.....	\$2,250.00
Receipts—September 1 to December 31, 1947.....	3,500.00
Total	\$5,750.00

Less: Allocations made December 31, 1947:

To Prior Service Liability.....	\$5,235.12
To Federation Accumulations.....	68.08
To Members Accumulations.....	66.09
To Annuity Reserve.....	136.69
	5,505.98

Balance on hand, December 31, 1947.....	\$ 244.02
Receipts—January 1 to August 31, 1948.....	3,862.50
Add: Excess interest on withdrawals.....	2.31
Balance, August 31, 1948.....	\$4,108.83

BALANCE SHEET

For the Period September 1, 1947 to August 31, 1948

Investments	\$323,000.00
Cash	1,242.38
Total	<u>\$324,242.38</u>

LIABILITIES AND INCOME

Prior Service Liability.....	\$284,938.34
Federation Accumulations	14,569.67
Members Accumulations	13,939.15
Annuity Reserve	6,686.39
Investment Earnings Clearing.....	4,108.83
Total	<u>\$324,242.38</u>

WILLIAM GREEN,
GEORGE MEANY,
E. LOGAN KIMMEL,

*Trustees, American Federation of Labor
Employees' Retirement Annuity Trust Fund.*

NEW INTERNATIONAL UNION CHARTERED

During the past year one new international union was chartered by the American Federation of Labor. The title of this new international union is the American Federation of Grain Millers. This organization was formed at a convention held at Kansas City, Mo., on July 26, 1948, in which federal labor unions in the grain processing industry were represented.

The Executive Council directed that this new international union be chartered following a satisfactory understanding of jurisdictional differences with a number of affiliated organizations.

The American Federation of Grain Millers was formed under the most auspicious circumstances and the indications are that it will be successful in every way. A large percentage of the workers classified as grain processors who come under the jurisdiction of the American Federation of Grain Millers are already organized and a part of this new international union.

DISAFFILIATION OF THE UNITED MINE WORKERS OF AMERICA

The discontinuation of the affiliation of the United Mine Workers of America was most unfortunate. This action took place on December 12, 1947, when the President of the American Federation of Labor received a message from the President of the United Mine Workers of America reading as follows:

Green—A. F. of L.

We disaffiliate.

Lewis.

12-12-47.

We sincerely regret the withdrawal of the United Mine Workers of America from affiliation with the American Federation of Labor and we express the hope that ere long said organization will again become affiliated with the American Federation of Labor.

SELECTION OF FRATERNAL DELEGATES

The British Trades Union Congress convened at Margate, England, on September 6, 1948, and continued in session until September 10. In response to an invitation received from the Secretary of the British Trades Union Congress, and in conformity with customary procedure, the Executive Council of the American Federation of Labor designated two representatives to attend the sessions of the British Trades Union Congress as Fraternal Delegates from the American Federation of Labor. They are, Mr. Edward J. Volz, President, International Photo-Engravers' Union of North America, and Mr. Patrick E. Gorman, Secretary-Treasurer, Amalgamated Meat Cutters and Butcher Workmen of North America.

Mr. Richard F. Walsh, President of the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada, was selected to serve as the Fraternal Delegate representing the American Federation of Labor at the convention of the Trades and Labor Congress of Canada which met at Victoria, British Columbia, October 11.

These appointments were approved by the Executive Council of the American Federation of Labor.

SALARIES OF EXECUTIVE OFFICERS

Inasmuch as there has been no change in the salaries of the President and Secretary-Treasurer of the American Federation of Labor for the past eight years, during which time there has been a great increase in living costs, the Executive Council recommends to the coming convention of the American Federation of Labor that the salaries of the executive officers be increased and that the convention give consideration to this matter.

ENGINEERS—FIREMEN AND OILERS

In conformity with the instructions of the Sixty-sixth Convention of the American Federation of Labor two conferences were held between representatives of the International Union of Operating Engineers and the International Brotherhood of Firemen and Oilers. The representatives of these two organizations met at Chicago, Illinois, on December 17, 1947. They discussed the question of the amalgamation of the two organizations as directed by the San Francisco Convention. The representatives of the International Union of Operating Engineers reported, following the conclusion of the conference held in Chicago on December 17, that

the committees of the two International Unions could not get together in any satisfactory settlement, so complying with the sense of the resolution passed at the Sixty-sixth Annual Convention of the American Federation of Labor we are referring the matter to you for your consideration and adjustment.

As a result of this report of the failure of the representatives of the two organizations to reach an understanding, the President of the American Federation of Labor, in conformity with the action of the convention, called another conference which was held at Miami, Florida, following the adjournment of the meeting of the Executive Council on February 3, 1948. At this conference earnest efforts were put forth by the President of the American Federation of Labor to prevail upon the representatives of the International Brotherhood of Firemen and Oilers to agree to a plan of amalgamation of the two international unions.

Inasmuch as the proposal submitted by representatives of the International Union of Operating Engineers was unacceptable to the repre-

sentatives of the International Brotherhood of Firemen and Oilers, said representatives were requested to submit a plan of amalgamation which they would approve and accept. These representatives stated in positive terms that they deemed it inadvisable to submit such a plan, first, because they lacked authority to do so, and second, because they were opposed to an amalgamation of the International Union of Operating Engineers and the International Brotherhood of Firemen and Oilers.

No further conferences have been held and at the moment there are no prospects of an agreement being reached between the representatives of the two organizations named, providing for amalgamation.

ORGANIZING ACTIVITIES

On February 23, 1948, John J. Murphy, Regional Director in New England for several years, succeeded Frank P. Fenton, National Director of Organization for the past ten years.

The problems of the organizing staff became greatly involved during the past year. The full impact of the Taft-Hartley Act was felt upon the expiration of contracts entered into before the Act became law. As a result, the staff was compelled to devote a great deal of time to the entirely unnecessary problem of union shop elections which were nearly 100 per cent successful in the case of American Federation of Labor unions. Most votes were approximately 98 per cent favorable. Organizers not only handled federal labor union elections, but aided thousands of international union locals in conducting elections.

The Taft-Hartley Act placed another burden on both federal and international locals, which, for the most part, were handled by our organizers. All local unions were required to fill out forms on financial structures with the Registration Office of the Department of Labor, and with the National Labor Relations Board on the non-Communist affidavit in order to comply with the Act.

Another burdensome feature of the Act, which will cause more trouble in the future, will require the unions to enter into representation elections at any time an employer expresses a doubt and asks for an election.

Organizers have also been in close touch with state federations and central labor unions to assist in the various problems which have arisen in the past two years.

Considerable time is given to improving public relations. The organizers are constantly called upon to appear before labor, civic, church and social groups, universities, high schools, radio forums and public debates, to present Labor's views on current problems and proposals.

Organizing

While average yearly membership of our federal labor unions shows a slight decline for 1948, the organizing possibilities of the future are exceedingly bright. In recent months, two groups of 3,000 workers each

were taken away from a dual organization in the State of Connecticut as a result of labor board elections. Industrial workers, on the whole, are indicating a desire to obtain affiliation with the American Federation of Labor. The field of organizing federal labor unions is limited by the charter rights of international unions and as a result many of the changes in affiliation, due to a great extent to the activities of our staff, can only be shown in the general membership figures of the American Federation of Labor and its affiliates.

In the field of federal labor union jurisdiction the aluminum workers show a drop of 5,000 workers because of general layoffs within the industry. Despite the addition of four new local unions, the Rubber Workers Council shows a decline because of over-production.

Our membership figures were maintained throughout the past fiscal year through the establishment of 212 new federal labor unions, as of July 27, 1948.

The widest fields of organizing at present lie in Canada, Alaska and Hawaii. Results have been more than gratifying in Canada. For the most part, the gain is shown in the figures of international unions.

In the Province of Quebec contracts were entered into with the Quebec City Shipyards and the Sorel Marine Industries, representing 6,500 employees. Thirteen hundred members were turned over to the Cement, Lime and Gypsum Works. The Carpenters, Teamsters, Fire-fighters, Laundry, Bakery, Teachers, Building Service, Tobacco, Sheet Metal, Textile, Chemical and other unions all benefited in membership gains as a result of activities engineered by the Montreal Regional Office staff. Neither an election nor a local union was lost to a rival union during the year. The Province of Ontario organizers, in addition to other duties, are now engaged in a campaign on behalf of the Building Trades. This Canadian staff has to deal with the Ontario Labor Relations Board and have established craft rights in relation to industrial unionism. Considerable success has rewarded its efforts on behalf of various internationals. For example, membership in the Teamsters has risen from 900 to 6,000 in the past two years. Our staff aided in this achievement.

In Alaska, organization work in the Building Trades is well advanced in the Fairbanks, Anchorage, and Ketchikan areas. Considerable progress has been made during the past year in organizing workers in outlying areas of Southeastern Alaska, many of which had been unorganized due to the great distance involved between construction projects and established local unions. Fisheries and canneries, normally difficult to organize because of seasonal aspects, are well in hand.

The organizing problem in Hawaii, where management has with considerable success fought organization for many years, will show an improvement in coming months. The San Francisco Convention adopted Resolutions 78 and 79 calling for national and international unions to

interest themselves in Hawaii. An investigation has already been made by the American Federation of Labor.

It is earnestly recommended that the international unions give additional attention to organizing opportunities in Canada and Alaska. American Federation of Labor organizers in the above localities will gladly direct or assist in any organizing program.

As stated above, one of the first duties of the organizing staff has been the development of collective bargaining and negotiation of contracts. The 297 new federal unions chartered require continual coaching in the matter of grievances and developments of sound labor-management relations. As a result of this guidance there have been very few disputes of lengthy duration. In isolated instances, employers have been found who were anxious to disrupt or wreck established unions through the various mechanisms made available to them by the Taft-Hartley Act.

Hundreds of wage increases had already been consummated without a so-called "pattern." As in the past few years, additional attention is given to insurance, pension, health and welfare funds, holidays and other benefits.

The following table presents the average yearly membership of federal labor unions during the fiscal years ending August 31.

1936	83,153
1937	114,956
1938	181,236
1939	171,207
1940	185,707
1941	198,605
1942	241,677
1943	259,344
1944	297,852
1945	264,862
1946	208,256
1947	244,513
1948	239,865

	<i>Fiscal Year</i> 1947	<i>Fiscal Year</i> 1948
Total New FLU's organized.....	297	212

FEDERAL LABOR UNIONS TRANSFERRED TO INTERNATIONAL UNIONS

	<i>Number of Federal Labor Unions</i>		
	<i>Fiscal Year</i> 1947	<i>Fiscal Year</i> 1948	<i>Total</i> 2 Years
<i>Transferred to:</i>			
Chemical Workers	4	1	5
Office Employees .....	..	..	..
Building Service .....	..	..	..
Teamsters	8	2	10
Automobile Workers	1	1	2
Leather .....	..	..	..
Bakery	1	..	1

	Number of Federal Labor Unions		
	Fiscal Year 1947	Fiscal Year 1948	Total 2 Years
<i>Transferred to:</i>			
Stage Employees	3	..	3
Meat Cutters	2	1	3
Bookbinders .....	..	..	..
Upholsterers .....	..	1	1
Metal Polishers .....	..	..	..
Textile	2	..	2
Printing Pressmen	1	..	1
Pulp, Sulphite .....	..	..	..
Retail Clerks	1	..	1
Seafarers .....	..	1	1
Marble, Slate and Stone Polishers..	..	..	..
Plumbers .....	..	..	..
Distillery .....	..	..	..
Cement .....	..	..	..
Electrical .....	..	..	..
Farm Labor	1	..	1
Radio Directors	1	..	1
Paper Makers	1	..	1
Carpenters	1	..	1
United Mine	1	..	1
Railway Clerks	1	..	1
Painters	1	..	1
Cleaners .....	..	1	1
Engineers .....	..	1	1
Firemen and Oilers .....	..	1	1
Hotel .....	..	1	1
Jewelry .....	..	3	3
Longshoremen .....	..	2	2
State, County .....	..	2	2
Grain Millers .....	..	84	84
	30	102	132

With the assistance of all central labor unions, state federations of labor and representatives of international unions acting collectively, it will be possible to greatly increase our membership in the next twelve months.

It is more and more apparent that in the organizing of a plant or industry all crafts claiming jurisdiction should set up a joint council with a director chosen by either the unions involved or the American Federation of Labor. This is particularly important now with the trend of thought verging from dual unionism to the principles of the American Federation of Labor. The problems involved in a program of this type are not too difficult to overcome. It has been followed before by Building and Metal Trades and has been recommended by a previous convention.

SOUTHERN ORGANIZING CAMPAIGN

The special Southern Organizing Campaign ended with discontinuance of a central fund and coordinated control of organizers in this field. Affiliated national unions are continuing to benefit from the impetus of

this campaign, however, through their organizers assigned to the field. Five state laws making all forms of union security a felony were reinforced by the Taft-Hartley Law which created an atmosphere unfriendly to organizing efforts. The administration of the Taft-Hartley Law puts new locals to a disadvantage, and the backlog of cases waiting for action discourages union activity. In spite of the difficulties, more than 300 new local unions have been organized during the past year.

All of our affiliates have been successful in negotiating new wage rates during the past twelve months. In practically all cases, increases have been obtained ranging from 7 cents to 50 cents per hour, with a weighted average on the whole of increases approximating 14 cents per hour. Our basic unskilled union rates in manufacturing have been raised to a minimum of \$1 per hour. The pulp and paper industry has a minimum rate of \$1.05 per hour. Skilled workers' rates have increased proportionately. Rates for skilled mechanics of the various crafts in most of the southern cities are \$2 and over per hour, which shows that the organized workers in the South are keeping pace with the wage increases throughout other sections of the country, which we are proud of under the present difficult conditions.

Our state federations continue to grow in affiliations and influence. Their conventions held this spring and summer in all of the southern states show a material growth, not only numerically, but in enthusiasm and determination. Their conventions this year, without exception, have been larger than at any period in our history.

THE PUERTO RICO FREE FEDERATION OF WORKINGMEN

Notwithstanding the peculiarities of our economy and the financial difficulties faced by the Free Federation of Puerto Rico, notable progress has been made and important achievements attained in behalf of the toiling masses and the people of Puerto Rico.

Sugar Industry

I. Collective Agreements

1. *Factory Workers:* An important agreement was signed between the Factory Workers Union of Arecibo and the Cambalache sugar mill owned by the Land Authority of Puerto Rico. The agreement is a renewal, with amendments, of a previous contract providing 12½ percent increase in the rates paid to the mechanics and machinists; a life insurance bond of \$1,000, the premium to be paid by the employer; and a reasonable sharing of the profits to be distributed among the employees after the grinding season. Nearly \$50,000 will be distributed this year. The minimum pay in Cambalache for an eight-hour work day is \$5.

2. The Factory Workers Union of Arecibo renewed its previous agreement gaining a reclassification of jobs and providing an escalator clause fixing a 20-cent increase in the wage rates per 25 cents increase in the price of sugar.

3. The Factory Workers of Aguadilla (affiliated this year with our

Federation) by agreement fixed 49 cents as the minimum; an escalator clause providing the increase of wages with increases in sugar prices; a life insurance to be paid by the employer; union shop, and other important provisions.

4. The Factory Workers Union of San Sebastian renewed a previous agreement with a minimum rate of 50 cents per hour, and an escalator wage-price clause.

Agricultural Workers

Important agreements in the agricultural field were negotiated and signed with the Land Authority of Puerto Rico. The wage rates generally provided in the agreement are higher by 6 to 12 cents than the Determination issued by the U. S. Department of Agriculture.

All of these agreements provide for an eight-hour work day with double rates for extra time; forty hour work week and time and a half for extra time, this last provision to be applied in the sugar mills. Management and labor relationships have been satisfactory in all the mills and in the farms. All the agreements provide for an Adjustment Committee.

Electrical Industry

The Industrial Peace Treaty signed by the Electrical Industry Workers' Union and the Water Resources Authority of Puerto Rico is being carried out faithfully by both parties. June 30, 1948, ended the second year of enforcement of the agreement which was signed for a period of four years. \$145,000 will be distributed among the employees of the Water Resources Authority in accord with Article IV of the Treaty which provides for the distribution of 75 percent of 50 percent of the net profits obtained by the employer.

Longshoremen Agreements

The agreements negotiated last year by the longshoremen unions with the shipping companies contained open clauses for periodical negotiation of salaries which the shipping companies contested when contracts were to be renewed. After the breakdown of negotiations between employers and workers, and despite efforts of government conciliators, a strike ensued. Finally, through the efforts and intervention of the Governor of Puerto Rico an agreement was reached between the shipping companies and the two District Councils of the International Longshoremen's Association, providing for an increase of 10 cents per hour, retroactive to January 1, 1948, and continuing to the close of 1948. The employers agreed thereafter to increase wages 5 cents more per hour, and also to withdraw the suit for damages which they had filed against the two Councils. The success of the two Councils in securing increased wages and other desired conditions is credited by the Puerto Rico Free Federation of Labor to the solidarity and strength of the longshoremen's unions within the International Longshoremen's Association and the support of the American Federation of Labor.

Agreements in the Telephone Industry

The Telephone Industry Workers' Union renewed, with fundamental amendments, a previous agreement which expired June 30, 1948. Increases in pay of 15 percent in the lower brackets, and 12 percent, 8 percent and 5 percent in the higher brackets, were achieved, together with union shop, hospitalization and complete medical assistance to be paid for by the employer; eight-hour work day and forty-hour work week with double rates after the regular work day, and time and a half after the regular work week; a 20 percent increase in the per diem; and some other important achievements.

Agreements in the Hairnet Industry

The Hairnet Industry Workers' Union renewed its agreement with an increase in the wage rates of nearly 15 percent, keeping the union shop and the two weeks vacation with pay and other important advances improving labor conditions.

Agreement in the Needlework Industry

The agreement of the Needlework Industry Workers' Union of San Juan provides 8 percent increase in the wage rates; union shop; two weeks vacation with pay and other important provisions. The agreement covers 200 employees. The union won the two elections for recognition and union shop conducted by the N. L. R. B., decisively. This agreement has encouraged the officers of the union to start a campaign toward the organization of thousands of employees who are unorganized throughout the Island. *Justice*, the publication of the I. L. G. W. U., has been distributed free among the employees of some plants.

Agreements in the Rum Industry

Under the agreement negotiated by the Rum Industry Workers' Union and the Bacardi Corporation for a period of two years, industrial peace has been kept. Labor relations in these plants have been very good, although the rum industry of Puerto Rico is facing a very critical situation.

Agreements in the Bakery Industry

The agreement entered into by our Bakery Workers' Union and all the employers in the capital of the Island is observed faithfully.

Other Agreements

With substantial improvements in labor conditions and increases in wages, negotiations have been conducted successfully in the ice industry, tobacco stripping, confectioneries, laundry industry, beverages, clinics, ice cream industry and office employees.

II. Conventions

A. *Local Conventions*: The annual convention of the Puerto Rico Free Federation of Workingmen was held March 20 and 21 in San Juan. Among

the resolutions adopted by the convention were those accepting affiliation of the Free Federation to the Inter-American Confederation of Labor; urging the extension to Puerto Rico of the Marshall Plan; affirming once more the non-partisan character and attitude of the Federation; urging repeal of the Taft-Hartley Law; expressing the gratitude of the Puerto Rico Free Federation of Workingmen to the American Federation of Labor for the moral assistance and cooperation given through their Conventions and by the Executive Council and President Green. Brothers Prudencio Rivera Martinez, Francisco Paz Granela and Nicholas Nogueiras Rivera were unanimously elected as President, First Vice-President and Secretary-Treasurer, respectively, of the Puerto Rico Free Federation of Workingmen. Brother Rivera Martinez was granted leave for another year, and Brother Paz Granela was appointed Acting President.

III. Conference with President Green

On December 2, 1947, a delegation from Puerto Rico met with President William Green in Washington to consider the situation on the waterfront of Puerto Rico, and to request him to appoint a committee from the A. F. of L. to visit Puerto Rico to make a thorough investigation and render a report to him and the Executive Council. President Green promised to send a committee down to Puerto Rico as suggested, after hearing all the information offered to him. President Green sent Brothers Frank P. Fenton and Morris Bialis to the Island.

IV. President Truman's Visit to Puerto Rico

The people of Puerto Rico were very glad of the visit of President Truman to this Island, and awarded him a very warm reception. This visit was of great significance to our Island, especially when Congress granted the Puerto Ricans the right to elect their Governor in the November election of 1948. Taking advantage of this unique opportunity, Brother Nicolas Nogueiras Rivera, Secretary-Treasurer of the Puerto Rico Free Federation of Labor, in the name of Labor, handed a memorandum to President Truman comprising five points:

- Total extension to Puerto Rico of the Social Security Act, which is an American device for all the American citizens in all the American territories;
- Puerto Ricans are entitled to some kind of marshallization in a true American sense;
- Protection of our sugar industry against the unfair competition of foreign areas in our domestic markets;
- Extension to Puerto Rico of the benefits provided in the educational programs for the Nation;
- The clarification of the political status of the American territory of Puerto Rico.

This memorandum was welcomed by President Truman, and the Department of Interior of the United States informed our Secretary-Treasurer that the President was in full accord with the memorandum.

BENEFIT SERVICES OF STANDARD NATIONAL AND INTERNATIONAL UNIONS FOR 1947

Name of Organization	Death	Sick	Unemployment	Old Age	Disability	Miscellaneous	Total
Actors and Artists of America, Associated	NO	INTER	NATIONAL	BENEFITS	PAID		
Air Line Dispatchers Association	NO	INTER	NATIONAL	BENEFITS	PAID		
Air Line Pilots Association	NO	INTER	NATIONAL	BENEFITS	PAID		
Asbestos Workers, International Association of Heat and Frost Insulators and	NO	INTER	NATIONAL	BENEFITS	PAID		
Automobile Workers of America, International Union United							
Bakery and Confectionery Workers' International Union of America	112,775.00	518,113.13				1,850.00	632,738.13
Bakers, Hairdressers and Cosmetologists' International Union of America, The Journeymen	164,221.90	65,676.00					229,897.90
Bill Posters and Billers of America, International Alliance of							
Blacksmiths, Drop Forgers and Helpers, International Brotherhood of	14,772.30						14,772.30
Boiler Makers, Iron Ship Builders and Helpers of America, International Brotherhood of							
Bookbinders, International Brotherhood of	115,700.00					23,065.79	138,765.79
Boot and Shoe Workers' Union	26,025.00						26,025.00
Bricklayers, Masons and Plasterers International Union of America	249,735.55			1,393,016.73			642,752.28
Brick and Clay Workers of America, the United	7,200.00						7,200.00
Bridge and Structural Iron Workers, International Association	83,250.00			131,000.00			214,250.00
Broom and Whisk makers' Union, International	NO	INTER	NATIONAL	BENEFITS	PAID		
Building Service Employees' International Union	675,992.88						675,992.88
Carmen of America, Brotherhood Railway	317,200.00				2,950.00		320,150.00
Carpenters and Joiners of America, United Brotherhood of	886,120.42		152,872.00	2,116,170.00	11,950.00		3,167,112.42
Cement, Lime and Gypsum Workers International Union, United						2,900.00	2,900.00
Chemical Workers Union, International	NO	INTER	NATIONAL	BENEFITS	PAID		
Cigarmakers' International Union of America	NO	INTER	NATIONAL	BENEFITS	PAID		
Cleaning and Dye House Workers, International Association of							
Clerks, National Federation of Post Office	75,700.00	18,903.80					94,603.80

BENEFIT SERVICES OF STANDARD NATIONAL AND INTERNATIONAL UNIONS FOR 1947

Name of Organization	Death	Sick	Unemployment	Old Age	Disability	Miscellaneous	Total
Clerks, Brotherhood of Railway	693,902.50	499,297.00	473,145.90				866,345.40
Clerks' International Association, Retail	91,438.15	41,948.74		14,320.00	15,155.06	699.46	163,561.41
Coopers' International Union of North America	7,800.00					301.00	8,101.00
Diamond Workers' Protective Union of America	9,000.00					132.00	9,132.00
Distillery, Rectifying and Wine Workers International Union							
Draftsmen's Union, International Federation of Technical Engineers, Architects and	NO	INTER	NATIONAL	L	BENE	FITS	PAID
Electrical Workers International Brotherhood of	1,214,318.75			1,742,320.04			2,956,638.79
Elevator Constructors, International Union of	NO	INTER	NATIONAL	L	BENE	FITS	PAID
Engineers, International Union of Operating	166,275.00						166,275.00
Engravers' Union of North America, International Photo	33,800.00	13,150.50			172,643.84	7,192.05	226,786.39
Farm Labor Union, National	NO	INTER	NATIONAL	L	BENE	FITS	PAID
Fire Fighters, International Association of	NO	INTER	NATIONAL	L	BENE	FITS	PAID
Firemen and Oilers, International Brotherhood of	56,250.00						56,250.00
Garment Workers of America, United	30,025.00						30,025.00
Garment Workers Union, International Ladies'	285,834.00	167,629.00				14,608,372.00	15,061,835.00
Glass Bottle Blowers' Association of the United States and Canada	40,250.00			11,180.00			51,430.00
Glass Cutters' League of America, Window	11,760.00						11,760.00
Glass Workers' Union, American Flint	30,600.00						30,600.00
Glove Workers' Union of America, International	1,300.00						1,300.00
Government Employees, American Federation of	NO	INTER	NATIONAL	L	BENE	FITS	PAID
Granite Cutters' International Association of America, The	30,081.25					1,125.00	31,206.25
Handbag, Luggage, Belt and Novelty Workers' Union, International	9,000.00	16,044.24				13,042.59	38,086.83
Hatters, Cap and Millinery Workers International Union	1,700.00	359,133.00	6,327.00			27,000.00	394,160.00
Hod Carriers, Building and Common Laborers' Union of America, International	238,300.00			1,080.00			239,380.00
Horse Shoers of United States and Canada, International Union of Journeymen	800.00						800.00

BENEFIT SERVICES OF STANDARD NATIONAL AND INTERNATIONAL UNIONS FOR 1947

Name of Organization	Death	Sick	Unemployment	Old Age	Disability	Miscellaneous	Total
Hotel and Restaurant Employees and Bartenders International Union	346,425.00						346,425.00
Jewelry Workers' Union, International							
Lathers, International Union of Wood, Wire and Metal							
Laundry Workers' International Union	11,117.00	32,354.47	50.00		1,710.00	8,045.41	53,276.88
Leather Workers International Union, United				300.00		1,969.00	2,269.00
Letter Carriers, National Association of	248,803.00	176,000.00		6,600.00			431,403.00
Longshoremen's Association, International	NO	INTER	NATIONAL	L	BENE	FITS	PAID
Maintenance of Way Employees, Brotherhood of	393,333.35						393,333.35
Marble, Slate and Stone Polishers, Rubbers and Sawyers, Tile and Marble Setters Helpers and Terrazzo Helpers, International Association United	3,450.00						3,450.00
Masters, Mates and Pilots of America, National Organization	12,217.30	1,223.00				3,943.75	17,384.05
Master Mechanics and Foremen of Navy Yard and Naval Stations, National Association of	NO	INTER	NATIONAL	L	BENE	FITS	PAID
Meat Cutters and Butcher Workmen of North America, Amalgamated	216,000.00	290,000.00	4,200.00	5,100.00		220,000.00	735,300.00
Metal Workers International Association, Sheet	86,750.00					9,300.00	96,050.00
Molders and Foundry Workers Union of North America, International	349,987.70	133,657.75	47,025.15				530,670.60
Musicians, American Federation of	NO	INTER	NATIONAL	L	BENE	FITS	PAID
Office Employees International Union	NO	INTER	NATIONAL	L	BENE	FITS	PAID
Painters, Decorators and Paperhangers of America, Brotherhood of	476,625.05				42,750.00		519,375.05
Paper Makers, International Brotherhood of	54,380.40			2,925.00		1,528.87	58,834.27
Pattern Makers League of North America	14,550.00	16,980.00	37,088.00			4,544.96	73,162.96
Plasterers' International Association of the United States and Canada, Operative	98,725.00		2,970.00			975.00	102,670.00
Plumbing and Pipe Fitting Industry of the United States and Canada, United Association of Journeymen and Apprentices of The	478,650.00	7,900.00				24,312.00	510,862.00
Polishers, Buffers, Platers and Helpers International Union, Metal	6,200.00					6,160.00	11,360.00

BENEFIT SERVICES OF STANDARD NATIONAL AND INTERNATIONAL UNIONS FOR 1947

Name of Organization	Death	Sick	Unemployment	Old Age	Disability	Miscellaneous	Total
Porters, Brotherhood of Sleeping Car	NO	INTER	NATIONAL	BENEFITS	PAID		
Post Office and Railway Mail Handlers, National Association of	NO	INTER	NATIONAL	BENEFITS	PAID		
Postal Supervisors, The National Association of	NO	INTER	NATIONAL	BENEFITS	PAID		
Potters, National Brotherhood of Operative	62,495.00	7,793.49					70,288.49
Printers, Die Stampers and Engravers' Union of North America, International Plate	NO	INTER	NATIONAL	BENEFITS	PAID		
Printing Pressmen's and Assistants' Union of North America, International	*309,826.86	*72,360.95	*172,224.24	*284,404.11	*5,627.50		844,443.66
Pulp, Sulphite and Paper Mill Workers of the United States and Canada, International Brotherhood of				375.00		12,000.00	12,375.00
Radio Directors Guild, Railway Employees of America, Amalgamated Association of Street and Electric	NO	INTER	NATIONAL	BENEFITS	PAID		
Railway Mail Association	*1,369,499.21	*183,362.68			2,700.00		1,555,561.89
Roofers, Damp and Waterproof Workers Association United State, Tile and Composition	88,906.90				144,811.50		233,718.40
Seafarers International Union of North America	48,394.55						48,394.55
Siderographers, International Association of	29,480.91	14,643.06	386.00	1,820.00		7,451.61	53,781.58
Signalmen, Brotherhood of Rail Road	NO	INTER	NATIONAL	BENEFITS	PAID		
Special Delivery Messengers, The National Association of			940.00			520.00	1,460.00
Spinners Union, International							
Stage Employees and Moving Picture Machine Operators of the United States and Canada, International Alliance of Theatrical	NO	INTER	NATIONAL	BENEFITS	PAID		
State, County and Municipal Employees, American Federation of	*10,500.00	*931.00				*47.00	11,478.00
Stereotypers' and Electrotypers' Union of North America, United	49,300.00					83,532.00	132,832.00
Stonecutters' Association of North America, Journeymen	4,900.00						4,900.00
Stove Mounters' International Union	20,695.81					5,486.00	26,181.81
Switchmen's Union of North America	195,750.00			240.00	18,700.00		214,690.00
Teachers, American Federation of	NO	INTER	NATIONAL	BENEFITS	PAID		

BENEFIT SERVICES OF STANDARD NATIONAL AND INTERNATIONAL UNIONS FOR 1947

Name of Organization	Death	Sick	Unemployment	Old Age	Disability	Miscellaneous	Total
Teamsters, Chauffeurs, Warehousemen and Helpers of America, International Brotherhood of						427,930.00	427,930.00
Telegraphers, The Order of Railroad	225,769.19	9,625.50				84,656.79	320,051.48
Telegraphers' Union of North America, The Commercial	35,234.06						35,234.06
Textile Workers of America, United							
Tobacco Workers International Union	6,750.00			1,200.00			7,950.00
Typographical Union, International	839,300.73	82,521.66	8,873.17	5,537,805.81		5,015,454.93	11,483,956.30
Upholsters' International Union of North America	55,312.50	419,044.11				2,848.53	477,205.14
Wall Paper Craftsmen and Workers of North America, United	18,750.00						18,750.00
Weavers' Protective Association, American Wire	200.00	800.00					1,000.00
Yardmasters of America Railroad	5,400.00						5,400.00
Brotherhood Locomotive Engineers	1,683,224.86	226,473.23			175,625.00		2,085,323.09
Brotherhood of Locomotive Firemen and Enginemen	1,290,969.59			19,331.15	85,627.75	1,277,176.50	2,673,104.99
Brotherhood of Railroad Trainmen	2,833,775.07	2,811,269.18	232,623.22		385,246.95	2,536,703.95	8,799,618.37
Order of Railway Conductors of America	748,192.74				76,454.52	227,060.40	1,051,707.66
Total.....	18,410,969.48	5,786,835.49	738,724.68	10,269,187.84	1,141,952.12	24,646,316.59	60,993,986.80

- ¹ Includes disability benefits.
² Includes local union benefits.
³ Paid by local unions.
⁴ Dues waived.

Recapitulation:	Death benefits	\$18,410,969.48
	Sick Benefits	5,786,835.49
	Unemployment Benefits	738,724.68
	Old Age Benefits	10,269,187.84
	Disability Benefits	1,141,952.12
	Miscellaneous Benefits	24,646,316.59
Total.....		\$60,993,986.80

LEGAL ACTIVITIES OF GENERAL COUNSEL

The 1947 Report of the Executive Council, in reviewing the legal activities of the American Federation of Labor, called particular attention to its activities in combating anti-labor laws passed by the legislatures of some seventeen states. It also focused attention on the Taft-Hartley Act and on litigation before the National Labor Relations Board.

Two cases of national interest, in which final court decisions had not then been reached, were also mentioned. One involved a criminal prosecution instituted by the Government against James C. Petrillo, President of the American Federation of Musicians, as a result of his attempt to test the legality of certain provisions of the Lea Act. At the time of the 1947 Report, the Supreme Court of the United States had refused to pass upon the principal Constitutional issues raised and had returned the case to the District Court for further hearing. Since then, this further hearing was held and resulted in a finding by the District Judge that Mr. Petrillo was not guilty of violating the Lea Act.

The other case mentioned in the report was a civil action in which a private litigant sought money damages for statements published in the Teamsters' official magazine by Daniel J. Tobin, President of the International Brotherhood of Teamsters. These statements set forth the true facts and circumstances concerning the famous incident that occurred in the Hotel Statler, in the City of Washington, the evening of September 23, 1944, shortly after President Roosevelt addressed a dinner meeting of the Teamsters. At the time of the 1947 Report, this suit had resulted, in the trial court, in complete victory and vindication for the International Teamsters' Union and its President. Since then an appeal was taken by the defeated litigant. Oral arguments on this appeal have been heard by the United States Court of Appeals and a decision by that court is expected very soon.

State Anti-Labor Laws

In commenting on state anti-labor laws, the 1947 Executive Council Report pointed out that the number of states enacting such punitive legislation had increased from 10 to 17 since its 1946 Report. This number must be increased again, as the legislatures of 13 additional states have, since the 1947 Report, passed laws restricting or regulating union activities. Thus, 30 states have now attained that ignoble distinction of attempting, by official fiat, to destroy or cripple the trade union movement in this country.

This legislation, among other things, has been aimed at preventing or limiting closed-shop and other union-security contracts, restricting picketing and other strike activities, prohibiting secondary boycotts, and jurisdictional disputes, regulation of disputes in public utilities, and requiring registration and financial reports of labor unions.

The American Federation of Labor has taken, and will continue to

take, aggressive action on many fronts to meet this avalanche of repressive labor legislation. In the field of legal litigation, the office of the General Counsel has been particularly active. It has established and has maintained close relations with state federations of labor and international unions affected by these anti-labor laws, and when called upon by these organizations has given all possible assistance. In this connection, it has not only counselled and advised these organizations and their officers concerning legal rights and legal procedures under these laws, but has taken an active part in court litigation when necessary and proper.

In particular, the office of the General Counsel has been active in initiating and developing test cases in state courts, with the end in view of securing, ultimately, a determination, by the Supreme Court of the United States, of the validity of a number of these state anti-labor laws. Litigation testing the extent and legality of these laws has been somewhat slow in developing. This has been due primarily to the fact that these laws have not been enforced to any great extent even though they have been ignored and in some instances purposely violated by labor organizations and labor leaders on advice of the General Counsel's office in order to institute test cases. There are some 12 cases pending, in which the General Counsel's office is participating, which should test the validity of a number of these state laws.

In its 1947 Report, the Executive Council referred to cases instituted in Arizona, Nebraska, North Carolina and Tennessee to test the validity of the anti-closed-shop laws of those states. At that time these cases were on appeal to the State Supreme Courts, the decisions in the trial courts, as was expected, having been adverse. Since then, the Supreme Courts of the States of Arizona, Nebraska and North Carolina, as anticipated in these cases, upheld the validity of their state anti-closed-shop laws. These decisions, while adverse, paved the way for the ultimate test we sought, which was final determination by the Supreme Court of the United States. We have been successful in convincing the Supreme Court that it should review the decisions of these State Supreme Courts. As a result legal briefs will be filed the first week of October with the Supreme Court of the United States attacking the validity of the anti-closed-shop laws of these three states, and a final determination by that court is expected in the very near future. It is anticipated that the decision of the Supreme Court in these cases will, as a practical matter, affect the legality of the anti-closed-shop statutes in each of the remaining states now having them.

In the Tennessee test case, referred to in the 1947 Report of the Executive Council, a Pyrrhic victory was secured in the State Supreme Court, for while that court dismissed an injunction preventing peaceful picketing, it upheld the validity of the open-shop law. Since then the Court has issued several "clarifying" opinions, which, however, have only further clouded the issues. In its present state the case is not an

especially good one for test purposes, so probably no attempt to appeal will be made.

The eight remaining test cases, seven of which are still pending in the state courts, involve suits instituted in the States of Virginia, Florida, Delaware and Texas. The Virginia case was initiated to test the anti-closed-shop statute of that state. On May 1st of this year a Circuit Court Judge upheld the constitutionality of that law, although he was constrained to say that he had serious doubts as to the constitutionality of the Act. Since this case involves an aspect of the anti-closed-shop laws different from the three cases now pending in the Supreme Court of the United States, it is being appealed to the State Supreme Court for decision, and if the decision in that court is adverse, steps will be taken to bring it before the Supreme Court of the United States.

Three test cases involving prohibitions against secondary picketing and striking, and the requiring of a majority vote in order to engage in a strike reached the State Supreme Court of Florida. No decision has as yet been rendered by that court in two of the cases, but in the third, *Whitehead v. Miami Laundry Company*, the Florida Supreme Court dismissed the injunction against picketing without passing on the constitutionality of the Act. Since the relief sought was granted, no further appeals will be necessary in this case. Two cases, involving the same type of prohibitions, are pending in the lower courts of the State of Texas.

Two test cases are now pending in Delaware. One involves criminal prosecution against a business agent of a Painters' local union for violation of a Delaware statute which prohibits the use of coercion by a labor organization to compel anyone to cease engaging in any lawful business or to join a labor organization. In all, five indictments were returned against the business agent. Motions to dismiss these indictments have been made, but no action has been taken thereon as yet by the trial court, and the cases have been put over to the September term. The other cases pending in Delaware involve criminal prosecutions against an Electrical Workers' union, alleging violations of the sections of the Delaware law prohibiting the charging of an initiation fee in excess of \$25 and prohibiting a strike without a majority vote. The court stated it would withhold proceedings in this case until after the Painters' cases were decided.

As stated before, test cases involving state labor legislation have been slow in developing. Often, recourse to these laws in labor disputes is threatened but the threat vanishes when a determination to test their validity is demonstrated by labor organizations. A notable example of this is the situation which confronted the International Teamsters and one of its locals in Boston, Mass., in January of this year. In an attempt to break a lawful strike initiated by the Teamsters, employers operating trucking lines sought to induce the Governor of Massachusetts to utilize a state law to seize the trucking lines and force the striking

union employees to man the trucks temporarily operated by the state. When the Governor indicated he would seize the trucking lines, arrangements were made by President Tobin of the Teamsters' International Union to challenge the validity of the proposed seizure and the law purportedly authorizing the drastic action. At the eleventh hour the Governor refused to take the seizure action and shortly afterward the labor dispute was settled to the satisfaction of the Teamsters' organization. Although this strike was ultimately won, the Teamsters were greatly handicapped in the conduct of their perfectly legitimate activities because of the constant threat of immediate public seizure under a law ultimately never utilized.

Taft-Hartley Act

At the time of the passage of the Taft-Hartley Act in June of 1947, leaders of organized labor stated that this punitive and prohibitive legislation was designed to destroy, and would be used exhaustively in an attempt to destroy, the trade union movement of this country. The accuracy of these statements has been demonstrated even though the Act has not been in existence long enough for organized labor to feel the full extent of the evils this Act has set afoot. Each day brings to our attention attempts by management to utilize the provisions of this Act to confound and interfere with the legitimate activities of labor organizations.

It is known that at the present time, in addition to the general confusion created by this law, one of its immediate effects has been to disrupt heretofore peaceful bargaining relationships as, for instance, in the case of the Typographical Union in the printing industry. The ban on closed shops and the unnecessary requirement of union-shop elections has caused endless confusion, delays and disputes.

Another effect has been to greatly increase the difficulties that beset the process of organizing the unorganized, and another has been to retard the efficacies of collective bargaining by strengthening employer resistance to legitimate labor requests. Another immediate effect of this Act has been to bring into play the hated "government by injunction." In this respect the law's operation has been most drastically felt. It has been felt not only by reason of the actual injunctions which have been sought and obtained either by the National Labor Relations Board under Sections 10(j) and 10(l) of the Act, or by the Attorney General under the so-called emergency provisions of the Act (Section 208). The threat of injunction is also present in almost every labor controversy that has arisen since the passage of the Act. Although the General Counsel of the Board is empowered to bring injunctions against employers as well as unions for alleged unfair practices, in actual practice his office has brought ten injunction suits against unions for every one it has brought against an employer. As a matter of fact, it has gone out of its way to

bring injunction suits against unions even where the Board ordinarily would have no jurisdiction.

In the *DiGiorgio Fruit Company* case the General Counsel of the Board sought and obtained an injunction against the striking National Farm Labor Union, even though the Board had previously refused to process a petition for an election filed by that union on the ground that it had no jurisdiction over agricultural employees. In another case on the West Coast (the *Sealright Pacific, Ltd.*, case) the General Counsel of the Board obtained an injunction against peaceful picketing on the ground not only that picketing constituted a secondary boycott, but also on the ground that it was coercive and that the mere presence of the pickets coerced non-striking employees. The evils of the injunction are well exemplified in this case. At the preliminary hearing before the Federal District Court, the Court agreed with the General Counsel of the Board and issued the preliminary injunction pending a hearing before the Trial Examiner. Many months later, after the hearing before the Trial Examiner when all the facts were fully disclosed, the Trial Examiner ruled that picketing was perfectly legal. In the meantime, the injunction had had the effect of seriously impeding the strike.

For every case where an injunction proceeding has actually been brought, there are hundreds of cases where injunction proceedings have been threatened or where the threat of injunction proceedings prevented labor organizations from engaging in conduct traditionally found necessary for the protection of Labor's interests. Time and again Labor has found itself at a marked disadvantage in attempting to counteract conditions which threaten to undermine its very existence. While it has finally been determined that employers or other private individuals cannot obtain injunctions under the Taft-Hartley Act, nevertheless the General Counsel has shown himself not only willing but eager to institute injunction proceedings on the slightest excuse.

A case which should be brought to your attention in this discussion of the Taft-Hartley Act is that involving the International Typographical Union as a result of its dispute with the American Newspaper Association. In this case charges of unfair labor practices were filed with the National Labor Relations Board by various publishers against a number of local units of the International Typographical Union and the International Typographical Union itself. While hearings were pending on these charges before the Board, the General Counsel of the Board asked a Federal Court for an injunction restraining the International Union from authorizing, calling or aiding any strike of any local union of the International anywhere in the nation. Realizing the detrimental effect to organized labor of such an all-embracing and extensive injunction, the General Counsel's office of the American Federation of Labor was instructed to render assistance to the International Typographical Union in opposing it. As a result, a legal brief was prepared and filed in the

Federal District Court at Hammond, Indiana, on behalf of the American Federation of Labor as *amicus curiae*. The injunction was granted, however, by the District Court, and this injunction ran until such time as the Board disposed of the unfair labor practice charges filed against the International Typographical Union.

Up to the present time these charges have not been disposed of by the Board and the injunction is still in effect. It restrains the International Typographical Union and its officers and agents from inducing or encouraging subordinate local unions to refuse to bargain collectively and from enforcing laws or rules which would discriminate against employees in regard to hire or tenure of employment because of non-membership in the International Typographical Union or which would cause employers in the newspaper industry to discriminate.

Another case in which the office of the General Counsel participated was a case which involved the so-called emergency section of the Taft-Hartley Act. Under this section injunctions are required to be issued regardless of the merits of a labor dispute. The mere fact that a strike has occurred or is threatened is sufficient to bring this section of the Act into play. It was utilized in a situation involving the Oak Ridge Atomic Energy operations. In that case certain products were being produced at Oak Ridge by the Carbon-Carbide Chemicals Corporation. The company undertook to put into effect a wage cut, as a result of which the union threatened to strike. Upon the basis of this threat, the President, acting under the Taft-Hartley Act, called a Board of Inquiry and thereafter instructed the Attorney General of the United States to secure an injunction.

Though the government did obtain an injunction against the union, the American Federation of Labor was successful in having this injunction directed also against the employer corporation, restraining it from putting into effect any wage cuts. Thereafter, the dispute was settled and the Attorney General later appeared in the United States District Court and secured a dismissal of the injunction.

In its 1947 Report, the Executive Council stated that litigation testing the constitutionality of the Taft-Hartley Act would be difficult because the Act was so exceedingly complex, lengthy and ramified that it would necessitate a number of separate suits. It further stated, however, that steps had been taken in the State of Connecticut to bring into issue the constitutionality of that section of the Taft-Hartley Act prohibiting labor organizations from making expenditures in connection with Federal elections. To this end, a Painters' local union in Hartford, Connecticut, with the unanimous consent of its members, expended union funds to purchase a political advertisement in a newspaper and to purchase radio time to urge the defeat of pro-Taft-Hartley Act political candidates. In brief, the advertisement and the broadcast called for the rejection of

Senator Robert A. Taft as a presidential nominee and for his defeat at the polls if nominated. Similarly, they urged the rejection of the six Connecticut Representatives in Congress as candidates for renomination and for their defeat on Election Day if nominated.

As expected, the union and its president were indicted by a federal grand jury sitting in New Haven, Connecticut. Motions to dismiss the indictment were prepared by the office of the General Counsel. These motions challenged the prosecution and the law under which it was brought as an invalid invasion of rights guaranteed by the Constitution of the United States, in particular, the indispensable democratic freedom of speech, press and of assembly, secured by the First Amendment.

On March 19th of this year legal briefs were filed and oral arguments were made in support of these motions before Judge Hincks of the United States Court for the District of Connecticut. After considering this case for more than four months, on July 28th, Judge Hincks upheld the validity of this law prohibiting union expenditures in connection with federal elections and denied our motions to dismiss the indictment against the Painters' local union and its president. In doing so, the District Judge held that this law "was well within the limits of federal legislative power" and that it was not invalidated by its "incidental effect in restraint upon the freedoms protected by the First Amendment."

On June 21st, prior to this decision, the Supreme Court of the United States had refused to pass on the same constitutional questions raised in a case involving the same law. The Supreme Court refused to pass on the constitutional questions raised, for it decided that the law did not prohibit such expenditure and consequently dismissed the indictment as not charging an offense under that law.

The Painters' case, however, presents an entirely different situation, involving, as it does, the use of union funds to purchase political advertisements in a commercial newspaper of general circulation and to purchase radio time on an independently owned and commercially operated radio broadcasting station to broadcast to the public generally the union's political views.

Because of this factual distinction and in view of Judge Hincks' decision, every attempt will be made to bring this case, involving the Painters' Union, to the Supreme Court of the United States for ultimate determination of the constitutional questions preliminarily decided by the lower court. Inasmuch, however, as this case must first be appealed to the United States Court of Appeals, a decision by the Supreme Court is not expected before the national election in November.

National Labor Relations Board

The office of the General Counsel of the American Federation of Labor has been engaged in a number of representation hearings before the Board, but its principal function has been to render advisory opinions con-

cerning the effect and operation of the Taft-Hartley Act and its impact upon the day-to-day activities of labor organizations both in organizing and in collective bargaining. Numerous requests in the form of wires, letters, telephone calls or personal appearances for such advice have been received and opinions rendered. It would be impossible in the short confines of this report to mention the trend of all the decisions under the Act, but some brief comment should be made on the following course of opinions by the Board.

The Board has been quick to extend its jurisdiction into industries heretofore not covered under the Wagner Act. The Board has taken jurisdiction over many operations heretofore considered intra-state, including the construction industry. No higher court decisions have been reached as yet on the subject, and it is impossible to state just where the line may possibly be drawn.

Under the so-called free speech provisions of the Act (Section 8(c)) the Board has permitted employers great leeway in criticizing, condemning, and even slandering labor organizations. It has permitted employers to make anti-union speeches at company-called meetings which employees were obliged to attend under threat of dismissal.

The Board has failed to give full effect to the one section of the Taft-Hartley Act from which craft organizations thought they might obtain some comfort, namely, that section permitting the carving out of crafts in the face of a prior history of industrial bargaining. In the *National Tube* case the Board found that it had absolute discretion to refuse the carving out of a craft even though a bona fide craft might be involved and even though all of the employees desired representation in a craft organization.

Finally, the Board has seen fit to give assistance in enforcing state anti-closed-shop laws even in states where no penalties for violations are imposed and where there has been no attempt at enforcement by state officials. The Board has done this by refusing to conduct union-shop elections in any state where anti-closed-shop laws exist.

The foregoing are among a few of the indications, from Board decisions, that the Taft-Hartley Act not only has no redeeming features but is as destructive of Labor's rights as its most vehement critics prophesied.

Miscellaneous

In May the Supreme Court of the United States held legally unenforceable in state and federal courts land covenants barring Negroes or other racial groups from owning real estate. This holding was a result of two decisions handed down in cases in which Negroes claimed that state and federal enforcement of these covenants deprived them of certain constitutional rights. The American Federation of Labor, through its General Counsel, participated in these cases by filing a

brief *amicus curiae* arguing against the enforcement of these land covenants. The Supreme Court decision sustained the position taken by the American Federation of Labor in these cases.

Another United States Supreme Court case of importance in which the office of the General Counsel participated was the Denver Milk Producer's case. In that case it was hoped that the constitutionality of restrictions on secondary boycotts and refusals to handle, deliver or work on unfair goods or materials, as contained not only in many state laws but in the Taft-Hartley Act, might be tested. However, after considering the case for many months, the Supreme Court finally determined that the decision of the state court needed clarification and remanded the case to the state courts for further proceedings.

Throughout the year, service has been rendered in analyzing numerous legislative proposals introduced in Congress and in state legislatures, as well as in rendering opinions with respect to laws enacted. Because of their great number, no attempt is here made to particularize or detail these various legislative proposals.

The foregoing deals only with the more important legal activities engaged in by the American Federation of Labor since the 1947 Convention. These activities, as indicated, have increased since 1947, and it is expected that they will be further increased during the next year as the impact of the various state anti-labor laws and federal legislation restricting and hampering union activities, particularly the Taft-Hartley Act, is more fully felt.

LABOR'S LEAGUE FOR POLITICAL EDUCATION

Labor's League for Political Education was established by resolution of the 66th Convention of the American Federation of Labor to meet the "need for sound political education and effective political action by organized labor."

Under the notorious Taft-Hartley Act no contributions or expenditure for a political purpose can be made by a union as such. Therefore, it was necessary that the League be established as an independent organization and financed by voluntary contributions of the American Federation of Labor members and their friends.

In accordance with the Convention Resolution a conference of the Presidents of all national and international unions was called in Washington, D. C., on December 5, 1947, for the purpose of completing the structure and outlining methods of procedure to be followed.

Organization and Activities

Recommendations of the December 5th conference were carried out as follows:

1. A National Committee was established composed of all American Federation of Labor Executive Council Members and Presidents of national and international unions.

2. An Administrative Committee was established composed of the members of the Executive Council and fifteen representatives of national and international unions elected by the National Committee. The Administrative Committee was authorized to add to its membership additional members, not to exceed five. This committee has met monthly since its establishment.

3. American Federation of Labor President William Green and Secretary-Treasurer George Meany were elected by the National Committee as Chairman and Secretary-Treasurer, respectively, of the League for the year 1948. Along with three other members selected by the Administrative Committee they compose the Executive Committee.

4. It was recommended that each state federation of labor and each central labor body set up Leagues independent of their trade unions to carry on the activities of L. L. P. E.

Such committees were in most cases set up in time to be active in the various primary elections.

5. It was further recommended that all national and international unions and their affiliated local unions set up independent committees primarily for the purpose of raising voluntary contributions.

At the time of the August 25th Administrative Committee meeting sixty-three national and international unions had set up such committees and were cooperating directly with the League in collecting funds. Fifteen national and international unions affiliated with the American Federation of Labor are participating as members of the Railway Labor's Political League. The closest cooperation has been maintained between the two Leagues.

6. The Administrative Committee was authorized to appoint a National Director and such staff as should be necessary. Joseph D. Keenan, Secretary of the Chicago Federation of Labor, was appointed Director. On March 8, 1948, the L. L. P. E. office was formally opened at 1525 H Street, N. W., Washington, D. C., with a small staff to handle administration and financial operations, and to prepare and disseminate political education material of all types.

7. A constitution and by-laws of Labor's League for Political Education formally stating the objectives and structure of the League was approved by the Administrative Committee at the March 9th meeting.

8. A conference of the representatives of all state federations of labor was held on March 10, 1948, in Washington, D. C., for the purpose of discussing plans for carrying on an effective campaign in the 1948 elections.

Since international unions are organized along the lines of their respective industries, they are not easily adjusted to political activities. It is only when the members of all the different local unions join together in each electoral district for united political action that labor's voting strength is felt. Therefore, state and local leagues formed by the various

state federations and central bodies are the real operating units of our political program. Thanks to the initiative and splendid grassroots support demonstrated by these regional organizations, American Federation of Labor members are being mobilized and educated as never before in this 1948 campaign.

9. Four departments were set up under the constitution of the League to carry out the League Program:

A. Department of Finance

Duties: To plan and carry out necessary appeals for contributions, recommend allocations, and audit accounts of the League.

L. L. P. E. receipt books were sent out to the local unions of all cooperating international unions with instructions to local union finance committees. The difficulty of receipting, recording and reporting each contribution has created an extremely expensive administrative operation and a serious obstacle to our fund raising campaign.

The Supreme Court avoided making a clear cut decision concerning the constitutionality of Taft-Hartley restrictions on the use of union funds for political purposes. Although there is good reason to believe that this phase of the law will be declared unconstitutional, we will be forced to keep union funds separate from L. L. P. E. funds throughout this crucial campaign since there is no possibility of another Supreme Court decision before the November elections.

B. Department of Public Relations

Duties: To enlighten unionists and the public at large concerning the objectives of the League, the political and economic policies of the American Federation of Labor, the unsavory record of the 80th Congress, and the individual voting records of each Congressman.

The National League has distributed pamphlets by the hundreds of thousands throughout the country, prepared material for the radio and press, and has issued bi-weekly the "1948 Campaign News Service" for use in the labor press and in special campaign bulletins. Special cover designs were prepared for national and international union Journals. Special articles and cartoons have been prepared for various union publications.

C. Department of Organization

Duties: To assist in the organization and coordination of state and local leagues, and to encourage cooperation with other friendly and sympathetic groups.

State and local leagues were set up in every section of the country throughout the Spring and Summer months.

Close cooperation has been worked out with the American Federation of Women's Auxiliaries of Labor to set up women's committees as an integral part of each state and local league.

Insofar as possible, L. L. P. E. has sought to cooperate with other liberal, farm, and labor groups and to coordinate united support behind one candidate. Labor has too often split its forces in the past.

D. Department of Political Direction

Duties: To prepare and keep records of public office holders and candidates, to cooperate with state leagues in the determination of candidates to be recommended to the Administrative Committee for endorsement, and to indicate those contests which warrant concentrated labor effort in order to assure victory.

It is seldom that we have a clear cut test such as the Taft-Hartley Act to indicate a Congressman's true attitude toward labor. This nefarious Act is the sole test used by L. L. P. E. in determining support or opposition to an incumbent running for re-election.

L. L. P. E. issued the individual voting records of all incumbent Congressmen on twelve key issues covering not only the Taft-Hartley Act but such issues as European recovery, taxation, public housing, etc., for the information of the public at large. However, no matter how many favorable votes a Congressman had on other issues an unfavorable vote on the Taft-Hartley Act disqualifies him from receiving L. L. P. E. support.

Labor Press

On June 21, 1948, the Supreme Court sidestepped a clean decision on the use of union funds for political activities, but it did hold that the Taft-Hartley Act did not restrict political statements on issues and candidates in regular union publications.

The regular union publications and the labor press immediately became Labor's main tool in educating our members and the public as to the issues and the pro-labor candidates in the 1948 campaign.

The editors of union publications and the weekly labor press have met the responsibility placed upon them in a splendid manner. They have not only given extensive coverage to releases furnished by L. L. P. E., but on their own initiative they have done much excellent and careful political reporting in support of labor supported candidates.

The overall results of L. L. P. E. activities in 1948 will be presented to the Convention in the form of a supplemental report of the Executive Council.

INTERNATIONAL MATTERS

The Executive Subcommittee of our International Labor Relations Committee has been active in many tense world situations this year, and has greatly expanded its activities. We have made suggestions on policy to our government when the labor facts indicated a course necessary to

support the efforts of free unions. We have, through our relief agency—the Free Trade Union Committee—literally supplied food necessary for continued activity of union leaders.

We have aided morally and materially the fighters for strong free trade unions as the bulwark of democracy and social justice. In the fight for the preservation and promotion of the rights of the workers on both sides of the Iron Curtain, the American Federation of Labor has set the pace on an international scale.

We have waged this struggle not only in the Social and Economic Council of the United Nations—through a whole series of practical proposals for the protection and promotion of the trade union rights of the workers, but we have also carried this fight to the agents of the totalitarian enemy in the ranks of labor, at conventions of labor federations as well as union meetings abroad and into the factories of the industrial centers of other countries. Everywhere our solidarity with free labor and its democratic aspirations has been translated into practical action and living deeds.

Largely because of our persistent efforts in keeping the spotlight on the rising menace of slave labor spreading from totalitarian Russia, it has become a world-wide issue not only in the United Nations but in the ranks of world labor as well.

We have been active in France and Italy with moral and material support for trade unions resisting the attempts of the Communists to capture the unions of those countries in order to make them serve the foreign policy of the U. S. S. R. and to foist upon their nations a dictatorship subservient to Stalin. We have given them funds, office equipment, moral support, publications and union information.

The fight against the Communist menace has been particularly difficult in Germany where there is a Soviet Zone with overpowering Russian military and economic pressure. The Communists fully realize the importance of Germany. Their strategy has been to “unify” and capture the unions of the four zones, and, thereby, grab control of Germany. Through Russian control of Germany, the Communists figure they can smash the European Recovery Program and seize the Continent. The American Federation of Labor, therefore, has put continuous pressure on our government to pursue a policy which will help Germany become a healthy democracy and virile force for European reconstruction and peace. Toward this end, we have continuously lent moral and material assistance to the bona fide trade unionists through our Free Trade Union Committee publications, food parcels, organization assistance, campaigns for just treatment of the German people, and trade union delegations. When the workers in beleaguered Berlin were facing their darkest hours due to the savage and utterly inhuman Soviet blockade, the A. F. of L. Labor League for Human Rights rushed by airplane one thousand food parcels to help the neediest members of the U. G. O.

For five weeks, we had a special labor mission in Germany. At the height of the Berlin blockade crisis, Brothers George Harrison and David Dubinsky flew to Germany to consult with the trade unionists and General Clay so as to get an improvement in their conditions and an enhancement of the role of Labor in the reconstruction of the country and its participation in the E. R. P.

In Czechoslovakia when the Communists seized the unions and turned them into party auxiliaries for snuffing out the last remnants of democracy, the American Federation of Labor not only raised its voice of protest but proceeded to aid the forces of resistance to Bolshevik despotism inside and outside the country. We also lost no time in providing food parcels for the trade unionist refugees from the terroristic regime.

In Greece the American Federation of Labor has patiently striven to facilitate and aid the rebirth of a bona fide free trade union movement. We have helped consolidate all the bona fide trade unions in Greece, but in our endeavors we have been confronted by grave difficulties caused by unjust and unsound policies pursued by the Greek Government in dealing with the labor situation.

In Austria our delegations and material assistance have lifted the morale and strengthened the feeling of solidarity with the American Federation of Labor.

Eager to secure the maximum relief for needy free trade unionists abroad, the American Federation of Labor energetically participated in the American Overseas Aid Drive. We regret to note that this drive has not met with adequate public response and has not netted the funds so urgently needed for voluntary relief projects in other lands.

The great humanitarian services rendered by the American Federation of Labor, Labor League for Human Rights have won it considerable moral prestige throughout the war-stricken countries of Europe. In Germany and Austria, in France and Holland, in Norway and Italy, even in Poland and Czechoslovakia groaning under the yoke of Bolshevik despotism, the Labor League for Human Rights has promptly and with increasing effectiveness responded to the most pressing needs of active trade unionists who have for years paid the penalty of resistance to Nazi tyranny. Among the displaced and uprooted persons in the various camps of Europe, among these unfortunate victims of Communist totalitarianism, the Labor League for Human Rights has recently been able to dispense aid and to assist refugee trade unionists of Baltic, Polish, Balkan, Sudeten, and Czech origin to resume their activities for labor and democracy in their lands of asylum.

Throughout Europe and even in Australia and New Zealand, the Free Trade Union Committee of the American Federation of Labor has established itself as the militant champion of democracy and the uncompromising foe of the totalitarian Communists seeking to capture

or ruin the genuine trade union movement. The clearcut declarations of policy and the forthright criticism of totalitarianism at work, the authoritative information about the conditions of the working people in the United States and in Russia, the initiative and leadership in expressions of international labor policy have won for the Free Trade Union Committee and its publication, *INTERNATIONAL FREE TRADE UNION NEWS*—English, French, German and Italian editions—considerable following and recognition as the democratic rallying center against the totalitarian Cominform.

WORLD SITUATION

United Nations

Like all other citizen organizations, the American Federation of Labor has been much concerned that the United Nations has been unable to deal effectively with problems basic for world peace. The Atlantic Charter, the United Nations and its machinery, were born out of the purposes and experience of a Western European civilization. They seek more personal freedom and government with the consent of the governed. The U. S. S. R. under the guidance of a philosophy that imposes authority and out of experience only with a police state, seeks, as a powerful nation, to divert the United Nations to serve totalitarian purposes.

Contracts are the device of Western European peoples for determining the conditions under which they work together. As they are mutual agreements, both parties make concessions for reaching the widest area of agreement. Order results from faithful fulfillment of contracts.

When nations, disciplined to abide by agreements, find they are dealing with other nations which exact the maximum in concessions, only to disregard their obligations under contracts, orderly relations do not develop. When groups place a premium on facility in making the benefits from contracts unilateral, efforts at cooperation lead to futility.

This background highlights present-day diplomacy and sustained joint efforts through the United Nations to make adjustments that will forestall resort to force. War can now unleash such terrifying forces and destructive weapons, that it means annihilation of populations.

We find the way forward blocked by the inability of the Security Council to perform functions under the Charter.

We find planned abuse of the veto power accorded to permanent members of the Council.

We find intolerant and aggressive use of the veto denying membership in the United Nations.

We find refusal of member states to cooperate with investigating agencies.

We have seen the smaller countries of Eastern Europe, unprotected by federation or collective defense, brought one by one under subjugation by armed force, secret police and Communist agents within their nations.

Though beset by many critical and disillusioning situations, the United States continues to struggle for action through the United Nations on matters and situations involving war potentials.

Our government, together with France and Great Britain, is trying to bring order through adherence to joint agreements with respect to Austria and Germany. U. S. S. R. violation of the four-power control has resulted in the Berlin crisis. World situations are made more involved and difficult by divergencies in basic philosophies, and conflicts in wills.

These facts throw a greater responsibility for constructive progress on efforts for European recovery and cooperation between non-governmental organizations. Economic recovery in Western Europe will bring to those nations opportunity for political freedom. To prevent further advancement of the Iron Curtain westward, Germany and Austria must be included in recovery plans. The industrial resources and know-how of the German people are essential to revival of European economic self-dependence. Even with the handicap of boundaries fortified by customs duties, there has been an approach to a European economy resting on diversification of natural resources, transportation facilities, and varying technical skills of workers. The intra-European commerce between countries formerly equaled that with their trade with the rest of the world. To restore this economic inter-relationship is the purpose of the Economic Cooperation Administration which works with the European organization created by countries participating. We hope an integrated European economy will result.

EUROPEAN ECONOMIC RECOVERY

The European national economies have been disrupted for more than a decade, first by Nazi aggression and the development of Hitler's new economic system which tied their industries to Germany and, secondly, by industrial war needs of World War II and war destruction. The end of fighting left Central Europe under military control with occupation armies. The Soviet army lived on the land while the others were fed by their nationals. The U. S. S. R. occupied the food-producing area of Germany, and so demonstrated she would serve only Communist gains by directing all food supplies toward the East. Western Germany then became the responsibility of the United States. By restricting our own uses, food supplies were made available.

When the conquering nations began to indemnify themselves by taking away German production facilities and reducing the German economy prescribed in accord with the Morgenthau Plan, it was obvious the result would be to turn Central Europe into a poorhouse to which the Western Allies would be obliged to make heavy contributions. As it was obvious the *Politburo* intended to use economic distress for the Communist gains, the need for economic rehabilitation of Europe became unmistakable. Secretary of State Marshall's proposal held out new hope.

According to the economic survey of the United Nations, there was fairly rapid economic recovery in European countries through 1946, but the hard winter brought droughts and shortages of fuel. Punitive restriction prevented Germany from keeping pace with recovery in other countries, and as Germany had been the source of supplies to other European countries the economic level of Germany became a detriment to all progress and a check on intra-European trade. Agricultural recovery has been slow since it involved building up of live stock and accumulation of tools and seeds. The whole of Europe had been disrupted and Western countries cut off from Eastern markets in which they were accustomed to buy.

With shortages in primary industries, machine tools and all other producer goods were short. Consumer goods were also slow in returning. There were manpower shortages in many regions, while millions were in displaced persons camps, and not all prisoners of war had been sent home. Inadequate food, inability to repair homes and factories, were reflected in declining ability to produce.

As we reported to the 1947 Convention, the President's committees found the proposal feasible as judged by our resources. The State Department prepared legislative proposals, and hearings on these proposed measures were held by both the Senate and House. President Green, on behalf of the American Federation of Labor, urged favorable action and emphasized how effective labor representation would be in getting the cooperation of the masses of European countries. American trade unionists, he pointed out, can be most effective in showing the fallacy of the Communist contention that the Marshall Plan is a capitalist or Wall Street plot, and American trade unionists can be equally effective in opposing those who will sabotage European economic recovery in its various stages.

Beginning with the initial European conference on the Marshall Plan, the U. S. S. R. opposed the proposal and ordered its satellite nations not to participate. The *Cominform*, or International Information Bureau, was set up to disseminate the Communist line on all current problems and issues.

Then there began world-wide Communist demonstrations and movements in aggression:

The Communist revolution and demonstration against the Organization of American States convening in Bogota, with uprisings in Costa Rica;

Communist uprisings in Burma, Malay, and Indonesia;

Communist military offensive in China;

Communist strikes and demonstrations in Italy, France, and Palestine;

Communist demonstrations against the Mundt-Nixon Bill in the United States and renewed efforts to control unions.

Paralleling the establishment of agencies to administer Economic Cooperation in Europe, came the Soviet military effort to squeeze the Allies out of Berlin by cutting off the food and fuel of over 3 million Germans living in the German capital. By harassing British and United States troops in fulfilling their obligations to the Germans and by cutting off trade and communications in Berlin with outside Germany, the Kremlin plans to get sole control of Berlin—then the Ruhr and Western Germany, and to terrorize the rest of Europe and the world from that new front.

Congress passed legislation authorizing economic aid for Europe and appropriated \$4 billions for that purpose. The Administrator in charge of the Washington office has general responsibility for supervision of work in Europe and serves under another administrator with rank of Ambassador-at-large, with offices in Paris.

The European countries cooperating in the plan have drafted and adopted a Convention and on April 16 set up an Organization for European Economic Cooperation. The Convention provides for a Council and an Executive Committee of 7 members. The Chairman of the Council is Premier Spaak of Belgium and Sir Edmund Hall-Patch of Great Britain is Chairman of its Executive Committee. The Secretary-General of the Organization is Robert Mariolin, a French economist.

History makes it plain that an essential step in assuring peace in Europe is federation, for in union there is political, economic, and military strength. Customs barriers on all state boundaries, separate economies and provisions for defense have been an excessive drain on all European states. The Benelux Customs Agreement is evidence of recognition of these facts. The Inter-European Monetary Compensation Agreement set up by the Committee on European Cooperation is additional evidence. Under this agreement 10 countries clear their trade balances for adjustment through the Bank of International Settlements. The primary obstacle in carrying out these plans is the unsoundness of various national moneys.

The third important forerunner of new European institutions is the British resolution proposing the establishment of a Council of Western Europe, followed by a conference in The Hague, with Great Britain joined with four Continental states—Holland, Belgium, Luxembourg, and France. This organization constitutes a nucleus from which federation may come.

The American Federation of Labor believes that our representatives in Europe should advocate use of recovery funds to develop a European economy—not separate economies of various states.

By planning economic recovery to contribute to constructive organization of Europe for peace, we shall be promoting the best interests of the peoples of Europe and of the whole world. While we realize the strong historic forces that make for separation sustained by the theory of

sovereignty, we know that the United Nations can become effective only as each country limits sovereignty of all to join in undertakings approved by the majority of members. Such federations, of course, rest upon agreement on fundamental principles.

We believe such plans for economic recovery in Europe constitute an important step in safeguarding democratic institutions in all regions and in checking plans to impose Communism on other countries.

A. F. OF L. REPRESENTATIVES IN EUROPE

For the past three years the American Federation of Labor has maintained two offices in Europe. Our European Bureau is in Brussels, with Irving Brown in charge.

Our Bureau for the Occupied Countries is in Frankfurt with Henry Rutz in charge and is the center for aid to German and Austrian trade unionists and the point from which we direct our efforts to rehabilitate free trade unions so that they may resume their place in national life.

1. European Labor and the Marshall Plan.

Since the American Federation of Labor Convention in October, 1947, (and even before) until the actual calling of a European Recovery Program Trade Union Conference on March 8, 1948, in London, discussions have taken place between the American Federation of Labor's European Representative and the representatives of at least fourteen trade union federations of the seventeen Marshall Plan countries. These conversations have been undertaken with the individual organizations and, at various times, with regional groupings of various trade union federations. These meetings have not only covered the various phases and problems of the Marshall Plan relating to European economic construction, but served as a means of emphasizing the urgent need for the calling of a Trade Union Marshall Plan Conference in conjunction with the American trade unions to achieve active participation of the European trade unions in the European Recovery Program administrative machinery.

While these endeavors were going forward, our European American Federation of Labor Representative, through the European Bureau in Brussels, publicized and dramatized the need for this Trade Union European Recovery Program. Through regular press releases, conferences, correspondence and brochures in various languages the leading trade union militants of Europe were kept informed of the basic issues and objectives involved in our proposals. As a result, it is now generally recognized that the actual calling of the conference on March 9 by the British Trades Union Congress and Benelux trade unions was due in large measure to the initiative and energy of the American Federation of Labor as well as the beginning of the decline of the World Federation of Trade Unions in the world of free trade union labor.

The American Federation of Labor representatives at the European Recovery Program Trade Union Conference played an important and

constructive role. In the Permanent Continuing Committee which was set up to carry out the objectives of the conference—secure labor support to achieve the production tasks of the Marshall Plan and trade union participation in the European Recovery Program—the American Federation of Labor European Representative has represented the American Federation of Labor in all committee meetings and has taken the lead to insist that the following shall be the guiding lines for Labor and the present European Recovery Program machinery (now termed Organization for European Economic Cooperation):

a. European Recovery Program Trade Union Advisory Committee should become accepted and constituted as the formal Trades Union Advisory Committee to the Organization for European Economic Cooperation.

b. European trade unionists shall be appointed to top level administrative posts in the Organization for European Economic Cooperation.

c. Adequate representation and participation should be achieved in the various key industrial committees or divisions of Organization for European Economic Cooperation (steel, metals, coal, transport, etc.); the international trade secretariats could become the proper and logical media for such work.

Although these activities are proceeding slowly, with the recent agreement on affiliation fees and the eventual creation of a permanent bureau in Paris for the European Recovery Program Trade Union Advisory Committee, the Western trade union movement is creating an international organization which can defend the economic interests of the European workers while resisting the Cominform and World Federation of Trade Unions attempts to sabotage economic reconstruction in Western Europe. The recent second conference on July 29 in London marked further progress in this direction.

2. International Trade Secretariats.

The affiliation of various American trade unions, such as the Railway Labor Executives' Association and the International Association of Machinists, to the International Transport Workers Federation and the International Metal Workers Federation, respectively, has strengthened the autonomous direction of these organizations and provided a solidly organized international base to resist the attempts of the Russians through the World Federation of Trade Unions to swallow up and eventually liquidate these Federations. The American Federation of Labor European Representative has maintained contact and worked with four or five of the major secretariats. As a representative of the International Association of Machinists, he has been elected to the Executive Committee of the International Metal Workers Federation and played a role in that organization which recently in a very forthright declaration broke off any further negotiations with the World Federa-

tion of Trade Unions and moved to go ahead and expand as an independent international organization of metal workers.

This was followed by a very significant conference between the Executive Committee of the International Metal Workers Federation and the representatives of the German metal workers unions from the Western zones and Berlin embracing about 2,000,000 metal workers, where agreement was reached on the affiliation of these German unions, while excluding the organizations in the Eastern zone since they are creatures of the State. Relationships have also been maintained with the International Transport Workers Federation and on several occasions, including the Marshall Plan Conference on April 6 at Luxembourg, the American Federation of Labor European Representative acted as a delegate for the Railway Labor Executives' Association. Efforts have also been undertaken to secure more extensive American trade union affiliation to other secretariats inclusive of Public Service, White Collar workers, Actors and Artists, Clothing, etc. Increasingly better and closer relationships have now been developed between the American Federation of Labor's European Bureau and these secretariats. To the extent to which affiliations can be achieved, to that extent will the movement for rebuilding an international free trade union organization be advanced.

3. American Federation of Labor's European Office in Brussels.

This office has become a clearing house for contacts and relationships with free trade unionists in over twenty countries—inclusive of some behind Russia's Iron Curtain. The following is a resume of the activities in the European Office:

a. Correspondence with over 300 leading trade unionists in key official positions.

b. A monthly News-Letter is being published in English and French which goes to approximately 400 key individuals in the European labor movement covering economic and trade union materials, especially concentrating on the United States of America and the Union of Soviet Socialist Republics.

c. Several publications in French translated from original studies made by the American Federation of Labor Research Department on the lives of American workers have gone to over 15,000 trade unionists in the French-speaking countries. In addition, a special brochure in French on "American Trade Unions and International Problems" prepared by the American Federation of Labor European Representative has reached a circulation of 10,000. The reactions and receptions have been extremely satisfactory.

d. Daily files are kept on economic and trade union conditions in over twenty countries garnered from daily, weekly and monthly newspapers and magazines published in three languages (French, German, and English).

e. A series of articles was prepared and written for the *American Federationist* and the *International Free Trade Union News* covering most of the aspects of European labor and political problems. Many of these reports were reprinted by European newspapers and maga-

zines. In addition, the point of view of the American Federation of Labor was brought to the attention of European and American workers by a number of published interviews and press conferences.

4. Behind the Iron Curtain.

Cooperation and assistance has been extended to leading Eastern European trade unionists whose unremitting struggles against all forms of totalitarianism have forced them into exile. Through these individuals, contact is maintained with those free trade unionists behind the Iron Curtain who are trying to carry on under precarious conditions. After many months of discussion and preparation, an Eastern European Trade Union Federation in Exile will be organized which will serve as a means of not only maintaining relationships with those free trade unionists who are valiantly battling against dictatorial regimes but of disseminating information in the form of brochures, radio broadcasts, newspapers, etc. In this work, the American Federation of Labor European Representative is giving moral and material assistance which will now expand as the new Federation gets under way.

5. Activities in Key Countries.

Extensive aid and assistance has been granted to the new French trade union movement which came into existence on December 18, 1947. In addition to giving moral support, quite a lot of material aid was extended in the form of over 100 typewriters, 25 mimeograph machines, etc. Many French trade unionists have also received food packages since 1944. In addition, the literature of the American Federation of Labor has been circulated to over 10,000 trade unionists in France for over two years which has dramatized the basic issues in world trade unionism today. There are many organizations throughout France which have received aid from the American Federation of Labor and have sent hundreds of acknowledgments of their gratitude for the assistance given in their time of need. This program is continuing, and it is to be hoped that it will be expanded as this new movement faces trying days ahead.

In Greece, the American Federation of Labor Representative has played a leading role since February, 1947, helping to prevent the trade union movement from being captured by the Communist Party. This has been achieved. A non-Communist trade union federation is now in existence and, in spite of internal difficulties and dangers now from the right wing, the organization continues to operate but faces new financial difficulties. The American Federation of Labor European Representative spoke at the Greek Trade Union Convention last March, the first one held in over 12 years. Relationships are continuing with this organization.

The opposition trade union movement in Italy is beginning to grow and is reaching the stage where a new, non-Communist trade union federation may result. The American Federation of Labor European Representative has been in constant working relationships with these opposition

forces for the past year. This activity is of the highest importance because the recent election victory of the democratic forces can be nullified if the Communists continue to maintain their stranglehold on the official trade union movement. A certain degree of success had been achieved in unifying the non-Communist trade union elements inclusive of Socialists, Republicans, and Christian Democrats. Now the Christian group is in the process of creating a new organization outside of the Communist-dominated Italian Confederation of Labor. The great task is to try to maintain unity between these non-Communist trade unionists who remain within the old organization and the Christian Democrats who are now organizing on the outside.

The American Federation of Labor Representatives in Europe and Germany participated in a special labor mission to Germany which lasted five weeks and covered all zones and Berlin with the exception of the Eastern zone. This mission had a very salutary effect in that it demonstrated to the German trade unionists that American labor had achieved a degree of unity on foreign policy and on the German question. It was a blow to those elements who wish to unite the German trade union movement under the domination of the Union of Soviet Socialist Republics or any of its world instruments. The report of this mission has been released and has already appeared in various organs of the American Federation of Labor.

6. The Russian Attack on the American Federation of Labor in Europe.

No report on the American Federation of Labor in Europe can omit mentioning the fact that Communist journals throughout Europe and in Russia itself have in the past year unleashed a barrage of propaganda and polemics against the American Federation of Labor and its European Representative. In every country of Europe the Communist press has singled out the work of the American Federation of Labor and its Representative as the main enemy of the Communists in Europe. In addition to all the things that we have done, the Russians have attributed anything which has happened in the world of labor detrimental to their interests to the activity of the American Federation of Labor.

A. F. OF L. ACTIVITY IN GERMANY AND AUSTRIA

During the past year the new German trade union movement has gone through its most critical period since the collapse of Nazi Germany. On the one hand the trade unions had to defend themselves against a well-organized drive of the *Cominform* to extend its influence over German workers of the three Western Occupied Zones. On the other hand democratic union leaders were faced with a growing rise to power, with Military Government sanction, of the old-type, labor-baiting, German industrialist.

In the fight against Communism the unions in the three Western Zones have done more than hold their own. They have withstood the

pressure of the W. F. T. U. to be railroaded into a new all-German trade union federation which would have included the Communist-controlled mass membership of the Russian Zone. Democratic Works Council candidates have made gains in the mining, chemical, and some other key industries. Communist-inspired work stoppages have found little support or encouragement from the rank and file. The present union leadership had the situation under control at all times.

The struggle to keep the unions free, however, was beset with many obstacles. It was in overcoming these difficulties that the American Federation of Labor was able to render valuable assistance.

For two years the unions have been complaining that Military Government ignored their requests for sufficient paper to counteract the flood of material emanating from Soviet-controlled Germany. After several strong remonstrances by the American Federation of Labor, the paper supply to unions has been doubled. It still is wholly inadequate, however, to fit the need.

To enable workers to know what is going on in the international labor field, thousands of copies of the German edition of the *International Free Trade Union News* were distributed monthly. In many cases this was the only link Germans had with outside Labor. A special thin paper was provided by the American Federation of Labor for the printing of pamphlets in the Russian Zone. In addition the International Labor Relations Committee printed several pamphlets which received wide distribution, and Military Government was prevailed upon to have cheap editions of popular books dealing with slave labor behind the Iron Curtain published in hundreds of thousand copies.

Our American Federation of Labor representatives (Henry Rutz and Irving Brown) have protested to Military Government officials, and the A. F. of L. International Labor Relations Committee has sent strong notes to the State Department and to the Secretary of National Defense regarding the delay in returning the property stolen from the unions since 1933. The property consists of office buildings, furniture, typewriters, automobiles, rest and old-age homes, schools and union funds. Military Government has finally worked out directives providing for the return of some of this property and the unions have actually received title to some of their former real estate holdings. No provisions have been made in these directives, however, for the return of property which the D. A. F. (German Labor Front, the Nazi successor to the unions) bought with union funds or bought with forced workers' payroll deductions since 1933. Very little furniture and few typewriters have been returned because of the directive's provisions for former ownership identification of each individual piece before title is given. Despite the fact that in case of an emergency the German labor movement will be the only reliable democratic economic ally of the western

powers, our Military Government refuses to give preference to the unions and insists upon maintaining a "neutral" attitude.

The education of young union members and of newly-elected works councilors in a democracy is extremely important, especially in view of Germany's isolation since Hitler's rise to power. Our representative has appeared at some of the newly created schools and explained America's labor movement and its economic and social policies. The Research Service of the American Federation of Labor has supplied some of these schools with model collective agreements and with informative material showing the living standards enjoyed by representative United States organized workers. At the request of the A. F. L., the United States Department of Labor has supplied German Apprentice Bureaus with the latest state and federal apprentice regulations. Apprentice training had come to a halt during the Nazi armament rush. Three all-year-round schools in the U. S. Zone, which are attended by unionists for two to four-week periods, and the Frankfurt University Workers' Academy which has a 10-months' course for selected students, have been receiving food packages provided by the U. S. Department of Labor's Trade Union Advisory Committee on International Affairs to which the A. F. L. is a leading contributor. Without this aid these schools would have had to curtail some of their work. There are a half-dozen schools situated in the French and British zones and in Berlin which are deserving of our support, and ways should be found to assist in this all-important work. Help is also needed in staffing the libraries of these schools. There is a dangerous lack of new books reflecting the new ideas and experiences in the world of Labor relative to economic and social problems. Book-burning and 15 years of isolation has left a void.

Our representatives worked with the Free Trade Union Committee and the trade union leaders of the three western zones to assure a fair distribution of the 500 CARE packages sent monthly to union functionaries. These were a godsend to full-time trade union leaders, most of whom had no other supplement to their 1,000-1,500 daily caloric ration. The flood of letters received from thankful recipients testifies to the appreciation of this part of our European program.

The American Federation of Labor was the only labor voice raised against the indiscriminate dismantling of plants for reparations. There was general acceptance by the German unions that factories serving war efforts should be dismantled, but workers could not understand why dismantling should include all plant-connected buildings and barracks at a time of an extreme housing shortage. In a few cases, Military Government did order an easing of the dismantling to provide time for the gradual reemployment of thousands of workers whose jobs would have been affected.

Great tribute must be paid to the heroic struggle waged by the Berlin trade unionists against the rule of the Communist leadership. Despite

rigged elections the Social Democratic and the Catholic leaders were able to win substantial majorities in the three Western Berlin Sectors but the Communists, with the support of Soviet Military Government, refused to accept defeat, causing a split in the city federation. The American Federation of Labor has intervened with U. S. Military Government for support of this plucky group. Two newspapers were authorized, office space and furniture were provided for, and police protection given against Communist-inspired mobs who tried to raid the new headquarters buildings. The turning point in the battle for trade union freedom was the May Day demonstration where 150,000 Berliners shouted their defiance to the Soviet stooges. Our A. F. L. representative, Henry Rutz, was the guest speaker at this memorable affair.

In addition to the above, the A. F. L. German office provided a liaison between the British, French, and United States Military Governments and the trade unions of the three Western Zones in such matters as making preparations for German union representation at the London Marshall Plan Conference, for German representation at several meetings of International Trade Union bodies held outside of Germany, and assisted in arranging meetings for trade union leaders of the United States, Great Britain and other countries with German representatives. Our representative made several radio talks in German and appeared before forums explaining the A. F. L.'s position on international problems. A mass of correspondence was handled in which unions asked for specific information and assistance. Our European representatives were members of the special mission representing the U. S. Department of Labor's Trade Union Advisory Committee on International Affairs which made a four weeks' study of German trade union conditions, and made a report to the United States Department of Labor.

Although German trade unionists have successfully warded off attempts of the Communists to increase their influence in the organizations, the German labor movement has not received its rightful recognition as a force for democracy by either Military Government or by German governmental authorities. The latter follow the lead of U. S. Military Government. The Economics and Finance Divisions and the Joint Import-Export Agency are called upon by top Military Government officials to shape our occupation policies while the Manpower Division is primarily consulted when these policies lead to labor trouble. A case in point is the Economics Division's recommendation to General Clay to veto the Hesse Works Council Law although this law was passed by a large majority of the democratically-elected Hesse parliament and had the unanimous support of Socialist and Christian-Union labor leaders.

In Austria the Military Government (U. S.) must be commended for its understanding of the problems involved in restoring democracy to the first country subjected to Nazi expansionism. Our A. F. L. representative

for the occupied countries has had several meetings with Executive Board members of the Austrian Federation of Labor, and, as in Germany, acted as liaison between the unions and Military Government. Free trade union literature was distributed and A. F. L. food parcels were directed where they were needed mostly. Both our A. F. L. representatives in Europe attended the Austrian Federation of Labor's first convention since the occupation where they received a most enthusiastic welcome, testifying to the recognition of our organization because of its support of the new Austrian labor movement.

During the past year steps were taken for an exchange of 50 young Austrian journeymen with a similar number from United States unions. Technical difficulties, such as immigration regulations, made it necessary to postpone the plan temporarily. The provisions of the Smith-Mundt Bill providing for the exchange of trade unionists should be extended to the occupied territories. The training of young trade unionists in the United States would be a step in the right direction to showing trade union democracy in practice to Austrian as well as German workers.

American Federation of Labor in the United Nations

The United Nations Economic and Social Council became, during the past year, the world forum before which were brought many of the basic issues in the East-West conflict. Foremost among them was the question of forced labor in Russia and its satellite countries, and the violation of trade union rights in countries behind the Iron Curtain.

Our consultants sustained our item on forced labor before the Agenda Committee of the Council, and succeeded in having it put on the Economic and Social Council's agenda for the Geneva meetings in July, 1948.

The American Federation of Labor's consultants collected a series of affidavits from Russians and Poles who had been in forced labor camps in Russia. These men and women had escaped from Russia and were in the United States. The World Federation of Trade Unions proposed that the Council discuss repeal of the Greek Anti-Strike Law of December 7, 1947. This counter-proposal helped to induce members of the Council to agree to the postponement of the item on forced labor, together with the World Federation of Trade Unions' proposal, until the next session.

In the meanwhile, the World Federation of Trade Unions maneuvered to block the American Federation of Labor's item on forced labor by submitting a proposal to investigate alleged violations of trade union rights in eleven countries—all outside of the Iron Curtain. Immediately the American Federation of Labor's consultants responded by welcoming, on the one hand, any investigation of the violations of trade union rights, but demanding, on the other hand, that such an investigation be a general one referring to all countries with an industrialized economy and a trade union movement, and certainly including the countries behind the Iron Curtain. A long and impressive list of such violations of trade union

rights in Soviet Russia, Poland, Yugoslavia and Czechoslovakia was added to make our case a strong one.

It is noteworthy that the work of the United Nations in the economic and social fields was not affected by the general discouragement that characterizes the work in the political field. The activity of the Social Affairs Department in the social welfare field deserves particular praise. This Department sent experts to several countries that requested them; organized seminars for social work, and had fellowships given to specialists from abroad. This work has been so satisfactory that a highly increased number of requests has been received for the current year.

The Economic Affairs Department produced a good and well-received report on World Economic Conditions and Trends, as well as one on the Plans and Programs for Economic Development in many countries. In addition, the Economic and Employment Commission, at the instigation of the American Federation of Labor, has forwarded to the Council a resolution authorizing the Department to send teams of experts to countries that request them.

In addition, the Economic Commission for Europe has completed a survey of the European economy and, through its many technical committees, has succeeded in developing preliminary cooperation and agencies. It took over the work of international agencies performing such functions as allocating freight cars and arranging for their free passage from one country to another, and allocating coal, timber, steel and other commodities in short supply.

The most fruitful results of the work of the American Federation of Labor consultants has come from the working out of an International Bill on Human Rights. We were the only non-governmental labor organization that took part in all stages of this work, from the drafting sub-commission through the working group to the full Human Rights Commission.

The World Federation of Trade Unions took no part whatsoever in this struggle for human rights (which includes trade union rights), obviously avoiding any commitment in the East-West clash that was a constant occurrence in these Commissions. The American Federation of Labor alone urged the inclusion in the draft of the demands of organized labor. Results of this contribution are many, especially in the Draft Declaration on Human Rights which came out from the last Commission meeting as a good document. The preamble, upon our instigation, reaffirms faith in the need for the "promotion of social progress and better standards of life in larger freedom."

We also fought successfully for the insertion of the prohibition of slavery and forced labor. Against the opposition of the U. S. S. R. and satellites, the Right of Asylum for Political Refugees, as well as Freedom of Movement (including the right to leave one's own country) were inserted. We also insisted on the inclusion of a special chapter on Eco-

conomic and Social Rights in the Bill; among them are the right to social security, the right to form and join trade unions, the right to work for just and favorable conditions of work and pay.

It will require continued efforts before this Declaration, and still more, before the planned Convention on Human Rights, will become effective. Great emphasis will then have to be given to the implementation of the Bill.

The U. S. S. R. also opposed the endorsement by the Human Rights Commission of the Draft Convention on Genocide, which makes the mass execution of racial or religious groups a crime, and includes the execution of men for reasons of their political beliefs.

The Conference on Freedom of Information and of the Press was prepared by Commission meetings in which the American Federation of Labor had a very active part. Much of this preparatory work was embodied in the three conventions adopted by the majority of Western Countries in that Conference.

Due to the American Federation of Labor initiative, the protection of migrant and immigrant labor was brought before the Council and referred to the International Labor Organization. An international convention may be prepared in the course of the year.

Pending this comprehensive convention, the Social Commission, upon the instigation of the American Federation of Labor, recommended that member governments be guided by the principle of equality of treatment as between native and foreign workers.

Another step taken by the Council was the setting up of the Economic Commission for Latin America. The American Federation of Labor's Latin American Representative participated in the preliminary work on this matter, and it may be expected that the American Federation of Labor, together with its Latin American friends, will enjoy a position of considerable prestige in the work of this body.

With the present tense world situation, and with foreign affairs determining many of our domestic issues, the American Federation of Labor's consultants have responsibility for representing free trade unions in world conferences. They will have to raise the voice of democratic labor in the concert of nations.

INTERNATIONAL LABOR ORGANIZATION

The present report on the activities of the International Labor Organization covers the period between the 66th (San Francisco, October 1947) Convention of the American Federation of Labor and the 31st Session (San Francisco, June-July 1948) of the International Labor Conference.

Frank P. Fenton, Director of Organization, was named International Representative to succeed the late Robert J. Watt, whose death on the return journey from the 1947 International Labor Organization Conference at Geneva brought to an untimely close twelve years of outstanding

accomplishment in international labor activities, as spokesman for democratic American labor.

The opening day of the 103rd Session of the Governing Body of the International Labor Organization was devoted in large measure to tributes to Robert Watt. Excerpts from the remarks of the spokesman for each of the three groups of the Organization follow:

The Chairman (Sir Guildhaume Myrddin-Evans) said, . . . He had an engaging sense of humor, he had an acid tongue, but the thing for which we will all remember him was his burning passion for individual liberty.

Sir John Forbes Watson (on behalf of the Employers' Group), . . . I was intimate with Bob Watt . . . because we were born in the same country, (Scotland), whose history has been that of struggle for personal liberty and freedom. . . . As I look back I shall always see Bob Watt marching, and marching gaily, in the front rank.

Sir Joseph Hallsworth (on behalf of the Workers' Group), . . . His life ebbed to its close much more swiftly because he strove to play his part right to the end of the road.

By unanimous vote of the Workers' Members of the Governing Body, the American Federation of Labor nominee was thereupon elected a deputy member.

Almost at once a struggle began between the advocates of the World Federation of Trade Unions and those who, like the American Federation of Labor Representative, recognize the World Federation of Trade Unions as a Communist-dominated front organization, unworthy to be described as a labor movement. Without advance notice, a letter was presented from the Secretary-General of the World Federation of Trade Unions, Louis Saillant, reporting that the Executive Bureau of the World Federation of Trade Unions had approved in principle the establishment of official relations with the International Labor Organization and in particular, reciprocity of representation between the two organizations and a mutual exchange of information and documents within the Workers Group. An even greater danger existed in that plans were under way whereby Mr. Saillant would become Secretary of the Workers Group and in that capacity play a dominant role in the affairs of the International Labor Organization by control of the Workers Group.

After intensive debate, the Governing Body passed a resolution welcoming the letter and approving "in principle" the establishment of consultative relations with the World Federation of Trade Unions. The resolution, however, specified that the Standing Orders Committee should consider the various proposals and discussion and prepare proposals regarding the application of the principle of consultation in relation to the World Federation of Trade Unions and to international non-governmental organizations generally. With this resolution postponing specific decision until the next Governing Body meeting, the scheme to place Saillant in the Workers Group was also stalled.

The same issue arose at the March meeting of the Governing Body,

but on this occasion the opposition to the World Federation of Trade Unions had gathered some recruits. The Standing Orders Committee was unable to reach a decision as to the terms under which a relationship could be established with the increasingly discredited World Federation of Trade Unions. At the June meeting, a decision had to be reached. The standing of the World Federation of Trade Unions was sharply attacked by the American Workers Representative, who pointed to the dwindling affiliations of the World Federation of Trade Unions and the rise of democratic labor organizations of many of the countries of Latin-America and Asia, where Communist "paper" organizations previously flourished. As evidence of the change in circumstances, there was an application for consultative relationship by the newly constituted Inter-American Confederation of Workers, of which the American Federation of Labor is a member. This application produced much controversy from those who had favored the World Federation of Trade Unions application on the ground that consultative relationships should be reserved for world-wide organizations. Thus they tried to convince the membership of the Governing Body that the Inter-American Confederation of Workers (CIT) was purely a sectional organization and not international in character. If this condition prevailed, obviously the World Federation of Trade Unions would be the sole organization representing the workers in the world. The eventual result was that three labor organizations were granted consultative status: the Inter-American Confederation of Workers (CIT), International Federation of Christian Trade Unions, and the World Federation of Trade Unions. Careful provisions were enacted to prevent abuse of the consultative relationship. Specific provision was made for the possible termination of the arrangements and it was spelled out that the purpose of the relationship was to assure the channeling to the International Labor Organization of all international labor matters which are properly within the jurisdiction of the International Labor Organization.

The latter was an obvious rebuke to the World Federation of Trade Unions, which has persistently filed propaganda documents with the Economic and Social Council of the United Nations, and which has made desperate efforts to have the United Nations take jurisdiction upon such matters as "trade union rights," which under the United Nations-International Labor Organization relationship must be recognized as within the constituted jurisdiction of the International Labor Organization.

Many other substantial accomplishments are to be reported as a result of the year's work of the International Labor Organization. Pioneer regional meetings were held in Asia and the Middle East; several new members joined the organization; a convention defining freedom of association was overwhelmingly adopted at the 1948 Conference. Two old conventions on night work were revised and a new convention on the organization of the Employment Service was adopted. Initial steps

were taken toward the development of international conventions on wage payments and steps were taken to assure the development of a stronger and more effective organization. These events, however, can best be described in chronological fashion.

The preparatory Asian Regional Conference of the International Labor Organization was held in New Delhi, India, almost at the same time as the 66th Convention of the American Federation of Labor. The United States participated only through an observer delegation representing the Government, but it was strongly urged that at the next Asian meeting, an adequate tripartite delegation will journey to the Far East as evidence of this country's keen interest in the development of good labor conditions in Asia.

The preparatory meeting at New Delhi brought together many newcomers in international labor affairs, but nevertheless produced many important resolutions with unanimous votes.

One of the most interesting of the resolutions was one expressing the hope that the Governing Body would at an appropriate time consider the advisability of re-admitting Japan and in the meanwhile, take all necessary steps to bring about the maintenance of at least the International Labor Organization minimum standards in Japan.

It was also worthy of note that despite the difficulties between India and Pakistan which had raged viciously just before the conference, tripartite delegations from both countries were able to meet together at the conference and harmoniously plan ways of improving living conditions in Asia.

When the plague in Egypt made it necessary to cancel the planned Conference of Government Officials of countries of the Near and Middle East, the Turkish Government volunteered to act as host country. The Conference was, therefore, held on the scheduled date in Istanbul. The meeting evidenced International Labor Organization readiness to serve the countries of the Middle East, which hitherto had been relatively little concerned with problems of industrialization. It also served to bring together much factual information and promote understanding of common problems by the officers of government agencies concerned.

A good example of the effectiveness of the meeting was the announcement of Syria's intention to accept membership in the International Labor Organization. Seventy-nine delegates attended, and the observers in attendance represented 17 countries. The International Labor Organization Governing Body was represented by Dr. Wou of China for the Government Group, Julio Pons of Uruguay for the Employers' Group and Bernardo Ibanez of Chile for the Workers' Group. This Conference, for which the International Labor Organization supplies the secretariat, demonstrated its lively concern with social insurance problems of many kinds and showed realism in its recommendation that representatives of employers and workers be associated with those of governments at future sessions.

The Joint Maritime Commission of the International Labor Organization held its 14th Session in Geneva from December 2 to 5, 1947. It was attended by 12 shipowners' representatives and 12 seafarers' representatives, with several technical advisers, from a variety of maritime countries. The U. S. Workers' Representative was John Hawk, Seafarers' International Union of North America, (substituting for Harry Lundberg). The Commission adopted a number of resolutions which are scheduled to come before the Governing Body at its December 1948 Session.

In order to speed up ratification of the various maritime conventions adopted at the Twenty-eighth Session of the International Labor Conference at Seattle, the Commission recommended that governments be asked to report before the end of March 1948 regarding the obstacles which prevented them from ratifying any of the conventions. These reports would be submitted to a committee consisting of the members of the Joint Maritime Commission and Government Representatives from 27 named maritime countries. It was suggested that the Committee meet in the early autumn of 1948. The Commission discussed the proposal, to be dealt with at a conference in February 1948, to set up an Inter-Governmental Maritime Consultative Organization. It agreed that, while the International Labor Organization should continue as in the past to deal with all questions affecting the conditions of life and employment of seafarers, it should cooperate fully with the new body on all matters of common interest.

The Commission drew attention to the fact that the transfer of ships from one flag to another may in some cases prove detrimental to the safety and conditions of employment of seafarers, and it asked the Governing Body to urge governments and the organizations of owners and seafarers to determine their attitude to such cases of transfer.

The 103rd Session of the Governing Body met in Geneva from December 12 to 15, 1947. Preceding the Governing Body from December 6-10, there were meetings of various committees, viz., the Standing Orders Committee, Finance Committee, Staff Questions Committee, Employment Committee and Committee on Periodical Reports on the Working of Conventions.

In addition to the discussion of the World Federation of Trade Unions issue as described above, the Governing Body took several steps of importance. The first Latin-American Chairman was elected in the person of Dr. Luis Alvarado of Peru.

After setting the schedule for 1948 meetings of the Industrial Committees, the reports of the Industrial Committees on Iron and Steel Production and the Metal Trades, which met in Stockholm in August and September, 1947, were considered. It was decided to set up a sub-committee of nine members (three from each group) to advise the Governing Body on questions connected with Industrial Committees.

The three Workers' Members were those from the United Kingdom, France and the United States.

Following a resolution of the International Conference of Labor Statisticians (Montreal, August 1947), the Director-General was authorized to convene a small preliminary meeting of experts at the end of 1948 to consider the classification of occupations.

Following a resolution adopted at the International Labor Organization Joint Maritime Commission, held in Geneva just before the present session of the Governing Body (see above), the Director-General was authorized to ask the state concerned for the reasons which prevented them from ratifying the Maritime Convention adopted by the Seattle Conference.

After discussion regarding the problems facing countries at present when sending delegations to distant meeting places, the Governing Body decided to maintain its decision taken in July 1947 to hold the next session of the International Labor Conference in June, 1948, in San Francisco.

The 104th Session of the Governing Body was held in Geneva from March 15-20, 1948 under the chairmanship of Mr. Luis Alvarado (Peru). From March 3-12, 1948, several International Labor Organization committees met, including the Standing Orders Committee, the Committee on Industrial Committees, Finance Committee, etc.

The Governing Body examined the record of the Sixth International Conference of Labor Statisticians, which was held in Montreal in August 1947, in which experts from 24 countries took part. It was decided to convene the next session of the Conference in October 1949 and a small meeting of experts late in 1948 or early in 1949.

It was decided to call a conference of representatives of Labor Inspection Services in Ceylon to meet, if possible, before the end of 1948.

The report of the International Labor Organization Joint Maritime Commission which met in Geneva in December 1947 (see above) was also studied, and the Director-General was authorized to summon next fall a tripartite subcommittee to study information furnished by the governments on the reasons which prevented them from ratifying the Seattle (1946) conventions. The International Labor Organization was authorized to study some aspects of seafarers' welfare.

It was decided to hold an International Conference of Experts on Pneumoconiosis in Australia during 1949. The representatives of the World Health Organization promised full collaboration.

Meeting in private on March 17, the Governing Body considered the report of its Finance Committee and adopted a budget of 5,109,270 American dollars for 1949 for submission to the International Labor Conference in San Francisco in June 1948 for final approval.

The Governing Body considered an International Labor Organization report concerning requests for assistance made by the Economic Com-

mission for Europe and the recent Manpower Conference held in Rome on the invitation of the Italian Government, as a result of a decision of the Committee on European Economic Cooperation. International Labor Organization Director-General explained that help had been urgently requested on a series of manpower problems, the solution of which would materially benefit the European situation, such as the regular and rapid exchange of information on vocational training and retraining, the study of the international exchange of apprentices and other technical trainees; and the establishment of internationally accepted standards for the classification of occupations. The United States and United Kingdom Government Representatives both emphasized the importance of the International Labor Organization undertaking this task, and both offered the services of their own countries in the loan of experts in such subjects as employment and training and retraining. It was also decided that a small tripartite committee should be established to provide the Governing Body with assistance in guiding the work of experts. Special stress was placed on the urgency of having the collaboration of employers and workers. The Governing Body agreed to set up a small committee (Mr. Leon Jouhaux was appointed from the Workers' Group and Mr. Finet of Belgium as his substitute).

The Governing Body also considered the wider problems of manpower in the report of its Permanent Migration Committee which had met in Geneva in February 1948, 28 governments sending representatives. After discussion in which tributes were paid to the valuable work done by the Permanent Migration Committee, the Governing Body decided to place the question of the revision of the Convention and Recommendations on Migration adopted by the International Labor Conference in 1939 on the agenda of the 1949 Conference, authorizing the Office to circulate proposed texts to governments. It was also agreed to convene the third session of the Permanent Migration Committee early in 1949 and to adopt the agenda proposed by the Committee. The Office was instructed to circulate the report to all governments and to the international organizations represented at the meeting of the Committee. Following reservations expressed by the Polish Government Representative, the Governing Body approved a resolution adopted by the Permanent Migration Committee that the members of the International Labor Organization concerned should be invited to report to the Organization on the conditions of labor of displaced persons who have settled in their respective countries and on the extent to which they have applied, up to now, the terms of the Convention and Recommendations of 1939 with respect to these persons. The resolution recommends that the competent bodies of the United Nations should be invited to adopt all measures likely to hasten the solution of the problem of displaced persons in accordance with the resolutions adopted by the Assembly of the United Nations.

The actions taken are of special interest to the American Federation of

Labor since they are in accordance with American Federation of Labor's urgent proposals to the United Nations for prompt International Labor Organization action to establish international standards on migration.

After studying the apportionment of budgetary contributions between the various State Members of the Organization, the Governing Body went on to consider a report on the relations of the International Labor Organization with other international organizations. The report shows the close cooperation which is maintained between the International Labor Organization and the United Nations and the other specialized agencies, and recorded that the Economic and Social Council of the United Nations had transmitted to the International Labor Organization a memorandum it had received from the World Federation of Trade Unions regarding the application of the principle of equal pay for equal work for men and women workers. The Council invited the International Labor Organization to proceed as rapidly as possible with the further consideration of this subject and to report to the Council. As the question of wages had already been included in the agenda of the session of the International Labor Conference to be held in San Francisco in June, the World Federation of Trade Unions request appeared to be a tardy effort to capitalize on the work already scheduled by the International Labor Organization.

The Governing Body warmly accepted an invitation from Uruguay to hold the Fourth Labor Conference of American State Members of the International Labor Organization in Montevideo.

The International Labor Organization Committee on Experts on the Application of Conventions held its 18th Session in Geneva from April 1-10, 1948. It reviewed the practice, (already taken up again last year after suspension during the war years) of detailed examination of the annual reports submitted to the International Labor Organization by the different states in respect of the convention which they have ratified.

Satisfaction was expressed for the endeavors made by certain of these states to fulfill their obligations by furnishing precise information concerning not only the legislation relating to the various conventions, but also the actual application of the conventions. Hope was expressed that the new provisions of the revised Constitution would make it possible to obtain from all states a still more accurate picture of existing conditions, including the transmission of factory inspection reports and the collaboration of the most representative organizations of employers and workers in the reporting procedure.

On April 20, 1948, the revised Constitution of the International Labor Organization became effective. The new provisions were adopted by the International Labor Conference in 1946. Ratification of the Constitution by two-thirds of the Members of the International Labor Organization was required, and, with the ratification by Mexico on April 20, 1948, the required figure was obtained.

U. S. acceptance was completed in July, 1948 when the President signed a Joint Resolution authorizing U. S. acceptance.

The work of the Industrial Committees of the International Labor Organization, a post-war development in the International Labor Organization's structure, has continued to develop. During the period under review the First Session of the Chemical Industries Committee was held in Paris on April 7-16, 1948. Fifteen countries were represented, namely, the United States, Belgium, Brazil, Canada, China, Denmark, France, the United Kingdom, India, Italy, Mexico, Netherlands, Norway, Sweden and Switzerland. These 15 countries were represented by some 100 delegates, substitutes and technical advisers. The two U. S. Workers' Delegates were H. A. Bradley, President of the International Chemical Workers' Union and John J. Mates, of the United Mine Workers of America.

The agenda of the Committee was:

- (1) The problems of the chemical industries in the light of recent events and changes.
- (2) Conditions of labor and the organization of industrial relations in the chemical industries.

The Committee adopted a series of resolutions concerning a Special Model Safety Code for the Chemical Industries; International Standardization of Statistics of Accidents and Occupational Diseases; Hours of Work and Holidays with Pay in the Chemical Industries; and Overtime Arrangements in the Chemical Industries.

The 31st session of the International Labor Conference was held in San Francisco from June 17 to July 10, 1948, under the chairmanship of Mr. Justin Godart, with Mr. Percy Bengough (Canada) as Workers' Vice President. There were 443 Delegates and Advisers from 51 of the International Labor Organization's 59 Member States. It was the fifth International Labor Conference to be held in the United States.

A new International Convention (or Treaty), requiring the governments ratifying it to make effective the right of workers and employers to form and join organizations of their own choosing, was adopted. This convention was one of two such new international instruments approved. The other will require countries, which ratify it, to maintain free public employment services. In addition to the foregoing new conventions, two others were approved which revised conventions adopted at earlier sessions of the Conference, and these set limitations on the employment at night of women and young persons. The Conference approved a recommendation designed to supplement the provisions of the Convention on Employment Services.

The Conference gave preliminary consideration to a number of other questions. It agreed on points to be covered at next year's Conference in Geneva in the consideration of international minimum standards governing (1) vocational guidance, (2) labor clauses in public contracts, (3) the full and prompt payment of workers' wages, and (4) the applica-

tion of the principles of the right to organize. It also endorsed a resolution requesting the Governing Body of the International Labor Organization to enter into consultation with the United Nations to examine "what developments to existing international machinery may be necessary to ensure the safeguarding of freedom of associations." The "existing international machinery" is that provided by the International Labor Organization itself for the enforcement of ratified Conventions. (If a country ratifies an International Labor Convention or Treaty it is obligated to bring its legislation into line with the provisions of the convention and to report annually to the International Labor Organization on how it is doing so). Other resolutions adopted called upon the Governing Body of the International Labor Organization to consider placing on the agenda of an early session of the Conference (preferably next year's), the consideration of (1) international regulations requiring equal pay for equal work of equal value by men and women, (2) the question of revising the 1933 Convention on fee-charging employment agencies, and (3) requesting the Governing Body of the International Labor Organization to place on an early agenda the question of a guaranteed weekly wage.

Another decision was the adoption on the recommendation of the Governing Body of a \$5,000,000 budget for the International Labor Organization's operations in 1949.

The American Federation of Labor International Representative was elected for a period of three years to the newly constituted International Labor Organization Governing Body. The new Governing Body includes, as the eight regular Workers' Members, Jouhaux of France as Workers' Vice Chairman of the Governing Body, Roberts of the United Kingdom as group chairman, Finet of Belgium as group secretary, Monk of Australia, Ali of Pakistan, Nordahl of Norway, Ibanez of Chile and the United States Workers delegate. As deputies, Bengough of Canada, Liu Sun-sen of China, Santi of Italy, Cofino of Cuba, Mori of Switzerland, Pequeno of Brazil, Soelven of Sweden and Serrarens of The Netherlands were elected. The refusal to elect Di Vittorio was a clear repudiation of his Communist maneuvers, especially since the Socialist, Santi, was not even a member of the Italian delegation when elected. All of the above were elected for three years.

The Republic of the Philippines, Burma, El Salvador, and Ceylon became members of the International Labor Organization thereby increasing the listed membership to 59.

As a result of the decisions of the Conference, the total number of international labor conventions adopted by the Organization was brought to 90, and the total of recommendations to 83.

Another new appointment from the United States of America was that of Mr. David A. Morse, Under-Secretary of Labor of the United States and U. S. Government Representative on the International Labor Organization Governing Body, to be Director-General of the International Labor

Organization. He will replace Mr. Edward Phelan who had reached the retirement age. During the discussion of the Report of the Director-General (which affords an opportunity for the exchange of views on general and topical social questions), the Rt. Hon. George Issacs, British Minister of Labor and of National Service, said:

The Governing Body has elected a new Director-General drawn from the public service of the great nation on whose territory we are now meeting. . . . My Government attaches great importance to this position. I cannot fail to express the appreciation of my Government and my own personal appreciation and admiration for the very great services which the retiring Director-General, Mr. Edward Phelan, has given both to the International Labor Organization from its very beginning and to the cause of peace and social justice throughout the world. . . . I greet the future holder of the post, Mr. David Morse, convinced that he will uphold the tradition established by his predecessor. We have come to expect in the Director-General a wisdom and an authority which is seldom found in international politics. We have in the past had faith in our Directors and have supported their authority, and I give Mr. Morse the most complete assurance that we shall continue to do so in the future. The high reputation of this Organization is very dear to us; the upholding of it rests in large measure with the Director-General and I can assure him that he can rest confident that we will do all in our power to help him in that task.

The above quotation from the speech of Mr. Issacs was typical of many speeches made in San Francisco, both in the Governing Body and during meetings of the International Labor Conference, regarding the retiring Director-General, Mr. Phelan, and the new Director-General, Mr. David Morse.

The following were designated by President Truman, upon the recommendation of the American Federation of Labor and of the Railway Labor Executive Association, as advisors to the Workers' Delegate: George Meany, Secretary-Treasurer of the American Federation of Labor; C. J. Haggerty, Secretary, California State Federation of Labor; John F. Shelly, President, San Francisco Central Labor Council; E. M. Weston, President, Washington State Federation of Labor; C. W. Doyle, Secretary, Seattle Central Labor Union, Dave Beck, Representative, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers; H. W. Fraser, President, Order of Railway Conductors of America; Serafino Romualdi, Latin-American Representative, American Federation of Labor.

The American Workers' Representative was chosen by the Workers' Group to be one of its members on many important committees including the following: Committees on Finance, Standing Orders, Industrial Committees, International Organizations, Agriculture, Migration, Petroleum and Construction.

In addition, the Governing Body, having decided that the International Labor Organization delegation to the General Assembly of the United Nations should include one representative from each group on the Com-

mittee on International Organizations, the American Workers Delegate was named to attend the Paris Session of the General Assembly as a member of the International Labor Organization delegation. That appointment is one of particular importance since it assures having one representative from the United States in the Governing Body delegation at the United Nations.

FRANCIS P. FENTON

We regret exceedingly to record the death, in his course of duty, of Francis P. Fenton, who served the American Federation of Labor faithfully as Director of Organization for eight years and during the past year as our international representative. He suffered a heart attack in his office while dictating his report for the Executive Council. His remains were interred at Cedar Hill Cemetery, Washington, D. C., after funeral services attended by President William Green and Secretary-Treasurer George Meany and a large gathering of trade union officials and friends.

The passing of Frank Fenton brings a deep sense of personal loss to the members of the Executive Council. His wife and family have lost a devoted and loyal husband and father. The labor movement has lost a stalwart fighter for justice and fair play.

UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION (UNESCO)

When the first General Conference of the United Nations Educational, Scientific and Cultural Organization was held in Paris in December 1946, great hope was held out to the peoples of the world that there would be provided through this international agency a means whereby, through their common interests in the non-political areas of education, science, and culture, they could be brought together in mutual understanding to help build the defenses of world peace. This hope is still alive among the people, but it must be frankly stated that it has been somewhat dimmed not only by the unhappy events that have taken place since that time, but by the administrative failures of the U. N. E. S. C. O. itself, and by the infiltration of political purposes in the conduct of its program.

These tendencies became apparent in the selection of the Director-General at the Paris Conference. They became increasingly discernible as the selection of personnel for the Secretariat proceeded. The American Federation of Labor Director of Social Insurance Activities, who represents our organization on the National Commission for U. N. E. S. C. O. and serves on its Executive Committee, has endeavored to exercise the vigilance that was called for with respect to U. N. E. S. C. O. in last year's Report of the Executive Council. Working in close cooperation with the International Representative of the A. F. of L. and with the

A. F. of L. Committee on International Relations, he succeeded in preventing appointment of one known Communist and another Communist sympathizer to a proposed labor post in the Secretariat. However, there is reason to believe that the considerations which prompted our action in this particular have not always been characteristic of other appointments.

At the second General Conference held in Mexico City just after the 66th Convention of the American Federation of Labor, our organization was represented on the U. S. Delegation by the President of the American Federation of Teachers. Brother Joseph F. Landis rendered distinctive service to U. N. E. S. C. O. at this conference.

While citing the failings and shortcomings of the U. N. E. S. C. O. Secretariat, we must not neglect to point out that our own affiliated organizations have not as yet extended the degree of cooperation to this international organization that their concerns in the field of education and culture warrant.

On the credit side of the account there must be placed the distinctive service of the United States Commission for U. N. E. S. C. O. This unique institution which includes in its membership sixty representative national voluntary organizations and representatives of local and state governments is serving a most useful purpose in crystallizing the desire for world peace which is shared by the people of our nation. The conference held last winter in San Francisco was an outstanding success.

The work done by various committees of the National Commission has also been of real value. For example, the Committee on Copyright has proceeded realistically to deal with the problems involved in this highly technical area and has recognized the interests of workers and producers in the publishing industry by including in its membership a representative of the printing trades.

The possibilities of future usefulness of U. N. E. S. C. O. will largely be determined at the third General Conference scheduled for Beirut this fall. There must be a change in the leadership of the organization if it is to avoid becoming a tool of the foes of democracy in the worldwide struggle in which we are engaged. We are informed that steps have been taken to avoid the United States delegation being left in the hapless plight in which its members found themselves when the present Director-General was chosen. We deplore the fact, however, that at this important conference the American Federation of Labor will not be represented on the delegation of the United States and we support President Green wholeheartedly in the protestations he has made to the Department of State with respect to this failure. We feel that it is more than a failure to recognize the interests that our unions have in this field; it represents a failure on the part of the State Department to recognize the nature of the issues that will confront the United States delegation in Beirut.

WORLD HEALTH ORGANIZATION

The World Health Organization became a fully accredited member of the United Nations family of specialized agencies in the economic, social and cultural fields with the ratification by the required 26 member nations on April 7, 1948. The United States, which had been active in sponsoring the organization, did not ratify until more than two months later.

It might appear that such programs as are contemplated by a World Health Organization would be of such technical nature that a labor organization such as the American Federation of Labor might have no direct concern in them. The opening words of the preamble of the constitution of the W. H. O. itself, however, are evidence to the contrary:

Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity. . . .

Informed opinion and active cooperation on the part of the public are of the utmost importance in the improvement of the health of the people.

Moreover, modern methods of travel and communication have made it imperative that international control of communicable diseases be established. There is also the fact that the existence of unhealthful conditions in one part of the world affect all the other parts economically. For example, malaria has been practically eliminated from our own country, yet this disease still strikes some 300 million people annually throughout the world and takes a toll of some three million lives. Who can deny that with the United States assuming heavy responsibilities for feeding the world's hungry that the depletion of manpower in the tropical food-producing areas, though far removed geographically, affects the demands made on our own production?

The World Health Organization dates back to the establishment of an Interim Commission which was initiated at the International Health Conference in New York in the summer of 1946. This Commission undertook the development of the permanent Organization and at the same time conducted an active program. Consequently, when the first assembly of the W. H. O. was convened in Geneva in June, 1948, there was a substantial record of achievement. For example, in the fall of 1947 a cholera epidemic broke out in Egypt which, because of this country's position in modern transportation lines, constituted a serious threat to all countries. The W. H. O. Interim Commission in New York coordinated the efforts of all governments and agencies concerned in procuring vaccines for Egypt and neighboring countries. The supplies of all countries were pooled and made available at about one-sixth what the cost would otherwise have been. Personnel and equipment were sent in by air. The United States Air Force loaned two airplanes for D. D. T. spraying. With this concerted world effort, this epidemic was brought under control in three months.

The first World Health Assembly completed its work in July, 1948.

It established the permanent organization of W. H. O. and adopted a program giving first priority to malaria control, maternal and child health, tuberculosis, venereal disease control, environmental sanitation, and nutrition.

Standards were adopted under which non-governmental organizations having an interest in health matters, such as the American Federation of Labor, could be admitted into relationship with the W. H. O.

An agreement with the International Labor Office which had already been approved by that organization's Governing Body in December, 1947, was approved, which recognizes the jurisdiction of the International Labor Organization in health matters directly affecting wage earners and includes a recognition of the work of the International Labor Organization in the field of health insurance.

The United States delegation to the First World Health Assembly led by Dr. Thomas Parran, former Surgeon-General of the United States Public Health Service was broadly representative of the health interests of the people of our country. It included not only persons of high technical competence representing the medical profession but also representatives of the nursing, public health, and engineering professions. The American Federation of Labor's Director of Social Insurance Activities, Nelson H. Cruikshank, was designated to represent the interests of working people in the development of the W. H. O. program and was in attendance throughout the assembly sessions in Geneva.

The United States delegation was hampered in its work in the Assembly by the tardiness of the 80th Congress in authorizing United States membership. The final act of approval was signed just four days prior to the convening of the Assembly. Consequently, some of the points which might have been gained with additional advance work, such as a reduction in the United States share of the W. H. O. budget, were lost. However, under Dr. Parran's skillful leadership the important points were not lost and at the conclusion of the Assembly it appears that the W. H. O. holds much promise for the improvement of the health of all peoples and that it merits the support of the American Federation of Labor.

Inter-American Confederation of Workers (C. I. T.)

The Lima Conference

In the report of the International Relations Committee to the 66th American Federation of Labor Convention in San Francisco, we stated that "not only in North, South, and Central America, but throughout the world, the forces of free trade unionism will watch with keenest of interest and warmest of sympathy the inter-American labor conference to be held in Lima, Peru, in January, 1948. The establishment of an inter-American federation of trade unions devoted to human rights, to democracy and peace will receive the hearty support of the A. F. of L."

Upon receipt of an official invitation to participate at the Lima conference, issued by the Confederations of Labor of Chile and Peru, President Green appointed the following A. F. L. delegation: Philip Hannah, Secretary of the Ohio State Federation of Labor; James M. Duffy, President of the National Brotherhood of Operative Potters; Thomas J. Lloyd, Vice-President of the Amalgamated Meat Cutters and Butcher Workmen of North America; and Serafino Romualdi, of the International Ladies Garment Workers' Union. Other United States representatives were Bert M. Jewell, for the Railway Labor Executives' Association, and Roy Brown, Vice-President of the International Association of Machinists. Nicolas Noguera Rivera and Hipolito Marcano represented the Free Federation of Workingmen of Puerto Rico.

The Lima Conference took place from January 10 to January 13, 1948. It was attended by representatives of bona-fide labor organizations of seventeen countries of the Western Hemisphere, and resulted in the unanimous decision to organize the Inter-American Confederation of Workers (C. I. T.).

The United States delegates played a prominent role in the activities of the Lima Conference and thanks to their wide experience in trade union matters and policies were in a position to make a positive contribution to the success of the meeting. Philip Hannah was elected one of the five vice-chairmen, and the rest of the United States delegation received the following assignments: James M. Duffy, chairman of the Resolutions Committee; Serafino Romualdi, member of the Committee on By-Laws and Declaration of Principles, (which was presided over by delegate Nicolas Noguera Rivera of Puerto Rico); T. J. Lloyd, member of the Committee on Analysis of the Trade Union Situation in the Western Hemisphere; Bert M. Jewell, member of the Committee on the Program of Activities of the new Inter-American Labor Confederation; Roy Brown, member of the Committee on Coordination.

Philip Hannah, selected by the United States delegation to speak at the impressive inaugural ceremony, delivered a forceful speech which was enthusiastically received.

Fully interpreting the position of the American Federation of Labor, Brother Hannah said: "We want a democratic inter-Americanism without imperialism. We want better living and working conditions for the workers—for all the workers—of the Western Hemisphere. We want the advancement of social justice and the protection of the rights of Labor. We want democracy strengthened and extended. We want to see, in our own time, the Four Freedoms of the Atlantic Charter become a living reality. We want to see our America, the New World, become the unconquerable bulwark of human rights, social progress and true Christian civilization."

Bernardo Ibanez of Chile was elected unanimously to the presidency of the Inter-American Confederation of Workers by the Lima Conference.

Among the vice-presidents are A. F. of L. Secretary-Treasurer George Meany and Bert M. Jewell of the Railway Labor Executives' Association. Serafino Romualdi was elected Secretary of International Relations.

On January 28, 1948, the Executive Council of the American Federation of Labor examined the report submitted by the A. F. L. delegation, heard the supplementary oral reports presented by Brothers Hannah, Duffy, and Romualdi, and unanimously voted to join the C. I. T. by issuing the following statement:

The Executive Council is deeply gratified by the progress made toward unifying the free trade union movements of the Western Hemisphere through the formation of the Inter-American Confederation of Labor at the recent Lima Conference.

Members of the American Federation of Labor's delegation to the conference, who submitted their report to us today, made it clear that Communist and Fascist forces in South America are still carrying on a bitter campaign of vilification against our country and our foreign policy.

This is to be expected. But the significant news is that the great majority of the people and the workers of Latin America are not being hoodwinked by such propaganda. Already the influence of the Communists among our good neighbors to the South is waning and the anti-American campaign conducted by the Argentine government has received little support.

We are confident the operations of the new Inter-American Confederation of Labor will promote wider understanding and greater good will in the Western Hemisphere because of the cooperation and the fraternity of the free labor movements of the member nations.

The American Federation of Labor intends to participate fully in the work of the newly formed Inter-American Confederation of Labor. The Council feels that this organization can make an effective contribution toward the major objective of world peace.

We, in addition, believe that the formation of this hemispheric organization of workers represents a major development in our countries' policy of extending the benefits and blessings of free democratic government to all the peoples of the Western Hemisphere.

In line with the spirit of the above decision of the Executive Council, the International Labor Relations Committee of the American Federation of Labor, meeting in Washington on February 19, 1948, took practical steps to implement our affiliation with the C. I. T. and named Serafino Romualdi as the full-time Latin-American representative of the American Federation of Labor with headquarters in the A. F. L. Building in Washington, D. C. He was also authorized to discharge his duties as secretary of International Relations for the Inter-American Confederation of Workers from the same office.

C. I. T. Gains Wide Recognition

The first few months of the life of the Inter-American Confederation of Workers were marked by repeated attempts on the part of totalitarian forces to impede its growth. First came the decree issued by the Government of Peru which prohibited the functioning of the C. I. T. in its terri-

tory, to which the C. I. T. counteracted by setting up its headquarters in Chile whose democratic government headed by President Gonzalez Videla publicly expressed its willingness to extend to the C. I. T. the widest hospitality and cooperation.

Then came the attempt on the part of the government-controlled Argentine Confederation of Labor to set up a rival hemispheric group, but this attempt failed and the Argentine Confederation of Labor seems now to be animated by a desire for cooperation with the C. I. T.

Finally, the newly-born organization was faced with a desperate attempt on the part of the Communist-controlled labor groups under the leadership of Lombardo Toledano, president of the C. T. A. L., to rally their forces against the C. I. T.

He called a convention of the C. T. A. L. in Mexico City for the last week of March. However, as it was widely reported in the world press, the convention was attended only by Communist-controlled labor groups, whose numerical strength and influence have been greatly reduced everywhere. Even the Confederation of Labor of Mexico (C. T. M.) which had sponsored the organization of the C. T. A. L. in 1938, was absent from this meeting, having expelled Lombardo Toledano from its membership.

At the San Francisco, California, June-July, 1948, annual conference of the International Labor Organization, the C. I. T. was represented by an overwhelming majority of the Worker Delegates from the Western Hemisphere. As a result, Lombardo Toledano, who had in the past represented Latin-American organized labor on the governing body of the I. L. O., decided not to run for re-election. His place was filled by C. I. T. President Bernardo Ibanez, who will have also two substitutes from Latin-America (an increase of one), both members of organizations affiliated with the C. I. T.

During the I. L. O. conference in San Francisco the C. I. T. scored a significant triumph when it obtained from the governing body of the International Labor Organization (and subsequently by the Conference itself) the same privilege of consultative relationship which had already been approved in principle for the World Federation of Trade Unions. This recognition was credited by C. I. T. President Bernardo Ibanez to A. F. L. International Representative Frank Fenton who, in his capacity as Workers' Delegate from U. S. A., waged a stubborn fight against the proposal that such consultative relationship be established only with the W. F. T. U.

The activities of the C. I. T. during its first six months of existence, and its prospects for the future, were reviewed at the second meeting of its Executive Committee, which took place from June 13-15 in San Francisco. Among those who attended were Vice-President George Meany, Secretary Serafino Romualdi and Roy Brown who substituted for Vice-President Bert Jewell of the Railway Labor Executives' Association. With two new national labor groups admitted to membership (the Con-

federation of Labor of Bolivia and the Federation of Labor of Haiti) the roster of the C. I. T. affiliates included at that time twenty-one organizations from fourteen countries. Affiliation, is now pending, of labor groups of six more countries, including Canada.

A number of important decisions were made at the San Francisco meeting of the Executive Committee of the C. I. T., among them the following of particular interest to the members of the American Federation of Labor:

(1) To secure the support of A. F. of L. affiliates, if needed, for Guatemalan workers employed by the United Fruit Company in their efforts to improve labor-management relations. This support also is to be secured, if needed, for other Latin-American workers employed by United States corporations.

(2) To promote a meeting between the National Farm Labor Union of the United States and Mexican unions of farm workers for the purpose of engaging in joint action in regard to problems arising in connection with Mexican migrant labor in the United States.

(3) To promote, in cooperation with the National Farm Labor Union of the United States and the farm workers' organizations of Cuba, Mexico, Jamaica and other neighboring countries, the calling of a conference which should include representatives of farm labor of at least North and Central America and the Caribbean countries, for the discussion of immigration regulations for temporary farm labor and other problems of mutual interest.

(4) To promote the establishment of trade union scholarships for the benefit of young workers of Latin America who aspire to trade union leadership.

(5) The Executive Committee unanimously approved the text of a resolution on Colonies and Dependent Territories in the Western Hemisphere which:

(a) Supported the transfer to their rightful countries of those lands which by geographical and historical reasons belong to independent American nations but are still under the rule of extra-continental powers, and

(b) Advocated the right of the inhabitants of colonial countries or non-self-governing territories to reach, by democratic referenda which are the true expression of the will of the people, whatever decisions they consider best suited to their national interests.

(6) The Executive Committee appointed a committee which, in cooperation with the American Federation of Labor, is to investigate this fall the working conditions existing in the Canal Zone with a view of seeking a solution that would end, once and for all, existing discriminations. The Executive Council of the A. F. of L., at its meeting in Milwaukee, Wisconsin, during the month of May of this year authorized President Green to select the A. F. L. representative who is to join the C. I. T. committee in this investigation.

(7) The economic issues now facing the Western Hemisphere and the various measures for their solution proposed by different international organizations, (the United Nations and the Organization of American States), were examined at length following the report by President Ibanez of his visit to Bogota during the Conference of American States. The Executive Committee of the C. I. T. discussed the work of the United Nations Economic Commission for Latin

America, and the Inter-American Economic Conference, scheduled for early next year in Buenos Aires.

Finally it was resolved to prepare, with the help of experts, a set of concrete proposals to be submitted to the Buenos Aires economic conference, setting forth Labor's point of view on the various social and economic issues now facing the Western Hemisphere, and embodying the principle that Capital and Labor shall have direct participation, together with Government, in carrying out whatever plans for the economic development of Latin America may come out of the Buenos Aires meeting. Meanwhile, all the C. I. T. affiliates were urged to impress upon their respective governments the advisability of having each delegation at the Buenos Aires conference include adequate representation of organized labor.

ASIATIC RELATIONS

As a result of war upheavals and other smouldering forces, the people of the great Asiatic continent have been ridding their lands of governments under foreign control. The British Government has withdrawn from India. Revolutions in Dutch governed islands endanger large Dutch investments on which their home economy depends. Communist agents have been active in these upheavals, trying to get control in order to fasten on the people the new bondage of Soviet control and exploitation in the interests of the Communist Party. This new colonization directed by fifth-columnists who move into a country and direct movements for Communization is designed to give them the appearance of national approval. China, Malaya, Pakistan, India and Iran have been centers of Communist movements for control.

The people of Asia have long years of recorded history and their civilization was developed ahead of Western Europe and the Western Hemisphere. While their civilization may be essentially different from that of Western and younger nations, the human desire for freedom and self-government is universal. There is in process of development in the whole of Asia, outside of the Iron Curtain, movements for representative government and for organization of workers into free trade unions. Already nations are turning against Communist efforts to impose new controls by Moscow toward national self-government. Many workers have found that efforts to cooperate with Communists have ended in Communist domination over the workers of these countries, and appeal has been made to the workers of the United States for cooperation and aid.

Like the Continent of Asia, Japan must defend its hope for freedom against Communist aggression. One of our outstanding trade unionists, James Killen, has been serving on the staff of General MacArthur as head of his manpower division. Mr. Killen has been able to bring to Japanese workers the benefit of our trade union experience.

The Workers' Delegates to the San Francisco I. L. O. Conference representing the Philippines, China, India and Iran came to American Federation of Labor headquarters to talk over mutual interests. The

idea is gaining support that an A. F. of L. bureau in Asia, similar to the one we have maintained in Europe since the war, would be helpful in making free trade union experience available to them.

RECENT ECONOMIC DEVELOPMENTS

During the first half of 1948 our country achieved a new peacetime peak in production and employment, not far below wartime. With a continuing high level of business activity, it is probable that the full year 1948 will show for the United States the highest level of per capita production ever achieved by any people in any peacetime year.

The war effort lifted our production far beyond anything we had previously conceived possible. Full employment at high wages during the war years gave workers reserves of buying power which created a huge new demand for consumer goods replacing the wartime demand for munitions and requiring our industries to expand their production capacity for peacetime goods.

When the war ended three years ago, per capita purchasing power of the American people (adjusted for price rises so as to indicate actual buying power) was 54 per cent above 1939 and 50 per cent above the previous peacetime peak of 1929. We had actually achieved the income necessary for a living standard 50 per cent above prewar. At that time however our industries were not equipped to produce it. There were shortages of all kinds. In the three postwar years we have gone far in expanding plant capacity for civilian production and in making up these shortages, so that today our per capita industrial production is 57 per cent above prewar (Federal Reserve Board index for first half 1948). Production in many lines is now catching up with consumer demand on the home front. However, our responsibility to supply goods needed for relief and reconstruction in war devastated countries abroad, and our new munitions program, have increased the demand on our industries and created new shortages in some lines. Our industries are able to meet the huge requirements expected of them, but these new responsibilities mean that the time when production will balance demand has been postponed.

The postwar period has been a time of full or maximum employment, with a steady increase in the number at work. Each summer employment has reached a new high level, with a peak of nearly 58 million in 1946, over 60 million in 1947 and 61,300,000 in June 1948. We passed through the transition from war to peace with a minimum of unemployment, at no time exceeding 2.6 million, according to government figures, although more than 10 million veterans were absorbed into the activities of the business world. Unemployment in the first half of 1948 has been only slightly over 2 million or about 3½ per cent of the labor force.

In 1946, 1947 and 1948, American industry has spent unprecedented

sums on modernization and improvement of plant and equipment. New techniques developed for war production, and much of the new wartime plant capacity, have also been taken over and adapted for civilian use. Thus we are now making up for a decade and a half of abnormally low technical advance in the field of consumer goods production, due to depression and war. This improvement in machinery, together with the increasing skill of labor, are bringing about an increase in production per manhour. We are now beginning to benefit from what should become a substantial postwar rise in productivity. The Bureau of Labor Statistics reports that from 1946 to 1947 there was an increase in output per manhour in the majority of the industries they surveyed, and an employers' association reports a continuation of this trend in 1948.

Thus American industry and labor, when released from government wartime controls, have turned to the task of increasing productivity with the vigor and energy characteristic of the free enterprise system. This rising productivity is the basis for further advances in living standards, and for the expansion of production necessary to meet the heavy demands on our industries for home and foreign needs.

As a whole, the economic condition of our country in 1948 is sound and healthy, but with one serious exception. The inflationary price rise, which has persisted for the last two and a half years, still continues. It is undermining the consumer buying power on which industry depends. It has prevented workers and others from securing the advance in living standards they should have in a period of full production and employment—the advance they must have if production is to be sustained in the long run.

The effect of this inflation on workers' families has been immediate and pressing. Even the inadequate Consumers Price Index of the U. S. Labor Department shows a general price increase of 33 per cent from August 1945 to June 1948. During the past year, the price rise has been continuous through most of the 12 month period. Food prices in general rose more than 12 per cent, meats 18 per cent, and the index as a whole in June 1948 was 9.3 per cent above the previous June. It took a wage increase of 12½ cents this year merely to maintain the average worker's standard of living against a price rise of this magnitude—and we know that the Consumer Price Index does not show all of the increased costs workers have had to pay.

Union members have had to ask large wage increases to keep pace with the price rise. In general they have won gains large enough to offset the rise in their living costs, and some groups have advanced their living standards. But non-union workers have not fared so well. Many have had very inadequate wage increases or no increases at all, and therefore have taken a reduction in living standards.

When a general average is made up for consumers in the country as a whole, we find that the gains of union members are more than offset

by the losses of those groups who were not able to secure adequate increases. Therefore the per capita buying power of the American people as a whole shows a decline in these three postwar years.

As noted above, at the end of the war American consumers had buying power (or "real" income) sufficient to give them a living standard 50 per cent above prewar peak levels. While industry was developing adequate plant capacity to produce such a living standard, inflation gradually cut away the buying power which alone could make it a reality. Today, in mid-1948, the per capita buying power of the American people is only 39 per cent above prewar peaks. The following table shows the two prewar peak years, 1929 and 1939; it also shows the high levels of buying power reached in 1944 and 1945, and the steady decline during the postwar period.

PER CAPITA DISPOSABLE INCOME

Personal Income After Taxes

Period	Current Dollars	1947 Dollars	
		Dollars	Index 1939=100
1929	678	882	103
1939	536	859	100
1944	1,057	1,338	156
1945	1,070	1,326	154
1946	1,127	1,288	150
1947	1,205	1,205	140
1947—First quarter	1,186	1,224	142
Second quarter	1,170	1,191	139
Third quarter	1,212	1,200	140
Fourth quarter	1,246	1,200	140
1948—First quarter	1,263	1,199	140
Second quarter*	1,283	1,198	139

*Estimates based on incomplete data.

Source: Department of Commerce and Department of Labor.

The price rise and consequent decline in real income has forced many families to draw upon the savings which they set aside during wartime, in the hope of being able to buy permanent improvements such as electrical appliances, automobiles, new homes. The 1948 Survey of Consumer Finance by the Federal Reserve Board showed that during the past year some families had been able to increase their savings in spite of the price rise, and unquestionably union members were numerous among them. A much larger number however were forced to reduce their savings, and average savings therefore declined. This study brings out the startling fact that more than one-quarter of all families were living beyond their income in 1947. It further reveals that 1947 saw a decline in the number of families holding any "liquid assets" (bank deposits and U. S. government bonds). About 3 million spending units holding government bonds at the end of 1946 had been forced to convert them into cash by the end of 1947. Most of the families converting their bonds into cash

utilized the proceeds for ordinary living expenses rather than for any special expenditure such as a home or automobile.

An analysis of these figures by occupational groups shows that the workers' families have been hardest hit by the postwar inflation. The figures show, for example, that the \$50 liquid assets held early in 1947 by the typical family in which the breadwinner was "unskilled" was completely wiped out by the end of the year while the liquid asset holdings for "skilled and semi-skilled" families showed a 37 per cent drop from \$400 to \$250. The only groups showing an increase were the professional, managerial and self-employed.

The Federal Reserve Board makes this significant comment: "The general financial status of consumers showed the first signs of weakening in 1947." Since their savings represent a backlog of buying power, this has serious implications.

The pinch on the worker's dollar has also forced him to borrow more extensively. The volume of consumer credit has been reaching a new high level each month and by mid-1948 totaled over \$14,000,000,000, an increase of nearly \$3,000,000,000 in the 12-month period.

Unions affiliated with the American Federation of Labor have in general been able to win substantial wage increases during the past year without resorting to strikes. Most increases have been between 9 and 15 cents, but several thousand members have won wage gains of 15 to 25 cents, which has meant a small improvement in living standards.

Throughout industry, the influence of so-called "wage patterns" has been less decisive in 1948 than in the two previous years. This is a wholesome development. Collective bargaining processes have in general returned to normal. Management and Labor are jointly determining the wage structure for their plants, basing decisions on the financial position and business outlook, the rise in living costs, the increase in production per manhour and the wages in effect for similar work in other plants and industries. Only if this trend continues can collective bargaining be maintained as an effective instrument for wage determination.

It has been customary in the past for unions and management to reopen the collective bargaining contract once each year, so that its terms may be brought up to date, to cover new developments. During the postwar inflation, substantial wage increases have been necessary at each reopening. Each wage increase in these three years has been followed by price increases which were far more than enough to compensate for any resulting increase in costs. Yet employers would have their employees believe that the rise in prices was solely due to the wage increase, and the price rise has been announced in such manner as to give the public the unmistakable impression that the entire price increase was necessitated by the wage boost.

The falsity of this impression is clear when the figures on wages and prices are examined. From January 1946 to January 1947 average

weekly earnings in manufacturing industries increased by about 14 per cent. During the same period, wholesale prices of manufactured products increased by 32.8 per cent. Corporate profits, after taxes, already at an all-time peak, continued to climb higher.

What happened is perfectly clear. Business interests used a moderate and absolutely necessary increase in workers' wages to justify price increases over twice as large. The result was a substantial increase in net profits.

From January 1947 to January 1948, average weekly earnings increased by about 10 per cent, wholesale prices of factory products by about 15 per cent, and profits for 1947 totaled \$18.1 billion, 41 per cent above the previous year.

The significance of these economic developments is of the greatest concern, not only to Labor but to all groups of American citizens, because all of us want to avoid the catastrophe of a serious business depression. Inflation has sharply reduced the potential buying power of workers and other consumers. Since 1946, the year of reconversion from war, per capita buying power of the American people has declined 7 per cent (to first half 1948) as shown in the above table. During the same period per capita industrial production has increased 8 per cent. Since American producers depend on consumer purchases to absorb 71 per cent of the gross national product of all farms and industries, this decline in consumer buying power is alarming.

Thus far the decline in consumer buying power has not reduced the demand for industry's products for several reasons: (1) Consumers have supplemented their buying power by drawing down their savings and increasing their indebtedness, a practice which has weakened their position and which cannot long continue. (2) Business firms and farmers have used their unprecedented profits for an exceptionally large investment in new plant and equipment. Improvement in industrial plant and producing capacity was long overdue and was essential as a basis for future increases in living standards; but higher living standards can never become a reality and expanded plants cannot be kept in production unless workers and other consumers have the necessary buying power. Business firms cannot go on expanding plant capacity and at the same time cut away, by raising prices, the consumer market necessary to absorb their increased product. And consumer buying power today is contracting.

Two other factors are temporarily sustaining demand for industrial products so that the effect of declining consumer buying power will be further postponed. Supplies needed for the European Recovery Program and our expanded program for national defense, when added to domestic demand, will require the utmost possible production from our industries. These new demands also add to the inflationary pressure on prices.

As we look ahead to 1949, we see there is hope of declining prices in the near future—grains and related farm products, since the supply of grain is now approaching demand on a world-wide basis. This should help to reduce the costs of bread and meats within the next year or two. For industrial products, however, the outlook is for a continuation of price increases, and for living costs as a whole the outlook is for a continuing upward trend.

Therefore, we see no prospect of checking the inflation which is creating an economic unbalance so serious as to threaten our country with depression when the temporary programs which now sustain production are at an end. These programs, however, give us a breathing space in which to plan action to restore economic balance before it is too late.

We cannot emphasize too strongly the importance of such action. The very existence of our free enterprise system depends upon its ability to sustain production and employment and prevent devastating depressions. We cannot hand over this problem to the government for solution—to do so would be to call forth the very bureaucratic controls we wish to avoid. Responsibility must be assumed by the functioning citizens groups in our country—management, farmers, labor, consumers, financial and other interests—with government cooperating but not dominating.

Effective steps cannot be taken by single companies, individuals, single unions or by any group alone. Individuals cannot control a flood. It can only be done by united effort. There is every reason to believe that joint consultation of the representatives of all functional groups in our economy—consumers, labor, business, trade, agriculture, finance, government, all groups who have a stake in the soundness of our economy and whose interests are affected by the actions of the others—might succeed where unilateral action has failed, in devising effective means of correcting our economic maladjustments. By such a cooperative procedure mutual suspicion could be overcome and assurance could be given that anti-inflationary steps taken by any of these groups would not be wasted or counteracted by the acts of others, but would be followed up and supported by similar action on the part of the other forces in our economic structure. Such steps would not result in the injury of the relative position of any particular group, but would react to the benefit of all.

To this end, we feel that some by-partisan agency such as the Joint Committee on the Economic Report and/or the Council of Economic Advisors, should make possible an effective voluntary undertaking of this nature by calling for conferences of the responsible representatives of all the functional groups in our economy for the joint study of facts the joint determination and carrying-out of effective measures and the joint review of results, and by providing for the continuation of such conferences as long as the need for them persists.

COOPERATIVE BUYING TO COMBAT HIGH PRICES

The present inflationary spiral is not a temporary phenomenon. We many expect rising prices to accompany any period of full employment because the buying power created by full employment generates a demand which makes it possible for industry to raise prices. But the creeping inflation which today accompanies full employment, eventually destroys the buying power of the people. From 1946 to mid-1948 the per capita income of all American consumers (after taxes) has declined 7 per cent even though workers have won exceptionally large wage increases. This shortage of buying power eventually cuts off the demand for industrial products and brings an end to full employment. Government supported programs, such as the present European Recovery Program and the Rearmament Program, may postpone the effects of this shortage of demand, but it cannot be escaped. Full employment, therefore, will prove self-defeating unless some way can be found within the free enterprise system to stabilize prices.

During the past year local union groups have made savings on food purchases by cooperative buying. Under competent supervision by experienced personnel of the consumer cooperative movement, cooperative direct distribution centers have proved successful. A local group with technical assistance can, within two or three months, put in operation a safe cooperative buying plan of this type. Instructions have been developed by the cooperative movement, especially for the use of unions. After the initial period, the group can extend its activities into a permanent organization, covering more products and serving larger numbers of union members and other consumers. Cooperative buying of foods is particularly important, for 59 per cent of the total increase in living costs in the last two and one-half years was due to increases in food prices. Meats alone rose more than 100 per cent from January, 1946, to June, 1948.

Local groups for cooperative buying can be more than temporary expedients to meet the present emergency, important though that is. They can become part of a long-term movement to develop enough economic strength through cooperative buying to make larger savings and to be effective in preventing exorbitant price increases.

Local groups wishing to consider, and if practical, undertake projects for cooperative buying will be able to make immediate savings for their members, provided they have the proper technical guidance from the consumer cooperative movement. They will also join their organized strength with millions of others in the cooperative movement, who are already organized for economic action to combat high prices.

The new information and technical help now available through the Council for Cooperative Development makes it possible for union members to get competent assistance in the management of cooperative buying projects, and thus relieves them from risks of failure due to inexperience.

Such assistance is available to those who can raise a small fund to pay for the technician's services. We urge that any group undertaking cooperative buying should make sure of having competent technical advice from the Council for Cooperative Development or other branch of the Cooperative League of U. S. A.

HOUSING

In 1948 housing continued to be the nation's major economic problem. Although most other sectors of the economy have moved out of the post-war readjustment period into more or less normal peacetime conditions, only half-way efforts have yet been made to solve the acute housing shortage which has become ever more critical through the wartime and postwar years.

Certainly, there had been no lack of foresight long in advance of the end of the war as to the scope of the housing problem which would confront the nation after the war. As early as 1943, the American Federation of Labor proposed a comprehensive housing program which would meet organized labor's goal of a decent home for every American family.

In 1940, the first Census of Housing showed that the housing shortage was already so severe that more than one-third of American families were without decent, sanitary, livable homes. The substantial growth of population and the curtailment of housing construction during the war has only served to intensify these critical conditions.

At the end of the war, thousands of returning veterans found that it was impossible to secure decent homes at the prices which they could afford to pay. In March, 1948, almost one-fifth of our non-farm families were living under doubled up conditions, or were living in rooming houses, trailers, and the like.

In urban areas alone, 5 to 6 million dwellings were below any acceptable minimum standard of health and decency. A large proportion of those who could not secure decent homes were veterans and their families.

It is estimated that there is a backlog today of about 10,000,000 homes needed to meet the non-farm housing requirements of the nation. Even the high level of 1948 construction which is estimated at 950,000 units will scarcely make a dent upon the accumulated deficiency.

Moreover, only a very small proportion of the houses that are being built are designed for those in most desperate need of living quarters. The primary need is for rental housing for low-income and middle-income families; yet of the houses built in 1947, only about 10 percent were for rental purposes. This compares with nearly 40 percent in 1928.

The biggest joker in the housing statistics story, however, is that the selling prices of the houses built for sale are, throughout the country, much too high for the pocketbooks of average American workers. The average sales price of new houses is now running at about \$7,500. Houses

selling for such prices require a long-term commitment to pay about \$75 per month.* Even higher payments are required in houses being constructed for rental purposes. Monthly rents for new four-room apartments are \$80 and up.

In 1947 the median income of all families was \$2,920, but almost one-third earned less than \$2,000 and families in this income group cannot afford to spend more than \$35 per month for housing. In mid-1948, average weekly earnings of workers in manufacturing industries were about \$52 or, on a 52-week basis (and most wage earners do not work a full 52 weeks a year), about \$2,700 annually. On the average, housing costs should not require more than one-fourth of the family's income. This means that only those families with income of \$3,500 or more can afford to live in the houses which are being built today. This excludes all but the most highly paid workers from a chance to buy or rent a new home.

To make matters still worse, many of those families which have been fortunate enough to be living in comparatively decent homes have been faced, under the modification of the rent control program, by "voluntary" rent increases, or evictions. With the housing vacancy rate at only one-fifth of the minimum needed for prospective occupants to exercise normal freedom of choice, increased doubling up and overcrowding have been the inevitable result.

The housing shortage is a byword in every American family, yet the 80th Congress delayed action on housing until its closing hours by interminable investigations and hearings. Finally, the Senate passed the Taft-Ellender-Wagner Bill which largely embodied the postwar housing program advanced by the American Federation of Labor. This bill would have brought about the construction of 15 million homes during the next ten years, including 500,000 low-rent units constructed in the next five years by private enterprise in local publicly assisted low-rent housing projects. It was this most essential feature of the bill, which provided the only possible way of securing decent homes for thousands of low-income families, which met with the most violent opposition from the real estate lobby.

In the final hours of the regular Congressional session, a small but powerful group of diehard opponents in the House of Representatives killed the Taft-Ellender-Wagner Bill, choosing to heed the private real estate interests rather than accede to the overwhelming sentiment in favor of the bill expressed by leaders of both major political parties, the entire labor movement, church, civic, veterans, and many other organizations and public officials throughout the nation.

In the Special Session of Congress in the summer of 1948, the Taft-Ellender-Wagner Bill was again blocked by the action of this same group of Congressmen, who secured the passage instead of the Housing Act of 1948. This Act contains aids to private builders, but none of the

provisions for public housing, slum clearance and urban redevelopment and rural housing which the American Federation of Labor has considered essential for an effective national housing program.

A section of the Housing Act of 1948 provides financial assistance for cooperative housing projects. This has been an important feature of Labor's housing program for many years, and the inclusion of this provision in the Bill was largely the result of Labor's insistence. The soundness of mutual housing projects has been demonstrated for many years in cooperative housing programs, organized in many cases largely by trade unionists, which have provided homes for many workers and their families at a lower cost than would have been possible under any other financial arrangement.

In 1947 a campaign was organized to place on organized labor responsibility for high construction costs and the critical shortage of homes. This attack was designed to detract attention from wide-spread profiteering in building materials, real estate speculation, and outright gouging of home buyers by speculative builders and brokers. It was charged that the use of restrictive practices by union workers in the building trades was responsible for high housing costs. This charge was exhaustively explored by the Senate-House Joint Committee on Housing, which held extensive hearings in Washington and other cities. This Committee, by agreement with President Richard Gray of the Building and Construction Trades Department, formed a Labor Advisory Committee to the Joint Congressional Committee consisting of President Gray, Harry C. Bates, Michael Crow, C. J. Haggerty, Joseph D. Keenan, Howard McSpedon, and Boris Shishkin.

The Labor Advisory Committee was able to challenge successfully all but five of the hundreds of cases which were charged against Labor. Three of the remaining five cases had to do with social problems in the communities concerned, rather than union practices, and in the remaining two instances the Labor Advisory Committee, with the cooperation of the unions involved, succeeded in promptly correcting the conditions against which complaints had been made.

In its final report, the Joint Congressional Committee in acknowledging the "most gratifying" results of the meetings with the Labor Advisory Committee, stated:

... the committee was impressed with the willingness of union officials to cooperate. The unions have agreed to take immediate steps to correct any labor abuses called to their attention by the committee. In every case that has arisen thus far, they have lived up to their promise.

The American Federation of Labor insists on the goal of a decent home for every American family. The home is the cornerstone of every community. Where children grow up in crowded, unsanitary slum areas, there we find the most sickness, juvenile delinquency, and other forms

of physical, social and psychological maladjustments. Every American worker must have an opportunity to bring up his family in a decent, healthful environment. If we are to have the maximum possible amount of home ownership in this country, and the goal of most American workers is to own their own homes, we must be able to build and sell homes at prices that workers can afford to pay. The needs and financial capacity of the home owners must be the primary concern in developing a long-range, comprehensive housing program. Since housing is basically a community problem, the national housing program should allow for the greatest possible amount of local action with only limited financial aid and guidance from the Federal Government. The American Federation of Labor should continue to lead in all efforts to provide better housing and better living conditions for the American people.

During the past year, the Housing Committee of the American Federation of Labor, which consists of Harry C. Bates, Chairman; Robert Byron, Richard Gray (ex-officio, as president of the Building and Construction Trades Department), Adolph Held, and Boris Shishkin, Secretary and Director of Housing Activities of the Committee, has done everything possible to secure the adoption of the housing program which was put forth at the San Francisco Convention held in October, 1947. They have been assisted immeasurably by the effective support given by hundreds of local A. F. of L. housing committees across the nation. The American Federation of Labor Housing Committee will need the vigorous support of the entire American Federation of Labor to have the maximum effect in the coming year in securing the adoption of Labor's housing program.

The American Federation of Labor must spare no effort to secure the enactment of a comprehensive, long-range housing program when the next Congress convenes in January, 1949.

NATIONAL LEGISLATION

The first session of the 80th Congress convened on January 3, 1947, and adjourned July 27, 1947, but was called back in special session by the President on November 17, 1947, and remained in session until December 19, 1947.

Its second session began January 6, 1948, and ended June 20, 1948, and was called back by the President into special session on July 26, 1948, and remained until August 7, 1948, and will be in recess until December 31, 1948, subject to being called back if the majority leaders of both Houses deem it necessary.

During the 80th Congress a total of 11,538 bills and resolutions were introduced and 1,364 measures were enacted into law.

The 80th Congress was most difficult from a legislative standpoint as Republican members contended that the 1946 election mandated them to curb labor organizations, when as a matter of fact the election results

were caused by the reaction of the people against wartime restrictions. During all the sessions of the 80th Congress, almost every act was predicated upon politics with the thoughts of all centered upon the 1948 elections and but little upon the general welfare. The Republican majority, aided by many reactionary Democrats, enacted the notorious Taft-Hartley Act and the insultingly low Federal Employees Pay Act, mutilated the Fair Labor Standards Act and the Social Security Act, but pigeon-holed many desirable proposals designed to benefit the nation as a whole. President Truman castigated Congress in no uncertain terms and in his message delivered to them in person at a joint session on July 27, 1948, called for the enactment of the following legislative program:

1. Control inflation
2. Provide low-cost housing.
3. Give Federal assistance to education
4. Increase Social Security benefits
5. Amend the Displaced Persons Act
6. Furnish funds to build permanent United Nations headquarters
7. Approve the International Wheat Agreement
8. Appropriate for a TVA steam plant
9. Raise Federal pay
10. Carry out the civil rights program
11. Increase minimum wage levels.

The President also urged action on other measures, "if the Congress finds time," as follows:

1. A health program
2. An amended labor-management act
3. A long-range farm program
4. Stronger reciprocal trade agreement
5. A universal training program
6. A national science foundation
7. The St. Lawrence Waterway Treaty.

The top Republicans of both Houses of the Congress held a meeting the same night and issued a joint statement to the effect that they would give the President's program a quick once over, do what they could of an emergency nature, and adjourn. They practically said "no" in advance to the Truman proposals, and termed the calling of the special session of Congress a "political maneuver." They immediately brought to the floor of the Senate the anti-poll tax bill, which was included in the President's Civil Rights Program, in the full knowledge that the Democratic Senators from the South would filibuster against the measure and, therefore, would prevent passage of any legislation.

After much time was lost in the Senate by the filibuster, the Congress adjourned after having jammed through an emasculated housing bill; enacted a feeble anti-inflation bill so weak it was unable to stand alone; appropriated funds for the construction of a \$65,000,000 home for the United Nations in New York City; and a bill to pay the expenses for the special session of Congress.

U. S. GOVERNMENT APPROPRIATIONS

We continued our practice of maintaining a careful check on all appropriation bills for the U. S. Government in order to insure insofar as possible that ample appropriations, especially for agencies handling matters affecting labor, were provided. We appeared before the Appropriation Committees of both the Senate and House whenever necessary.

The following table sets forth the Budget estimates as submitted by the President and the amounts allowed, by law, by the Congress.

REGULAR APPROPRIATION BILLS				
Bill	Law 80th 1st	Estimates 80th 2nd	Law 80th 2nd	Reductions below Estimates 80th 2nd
Agriculture	\$613,046,826	\$636,412,090	\$577,546,953	\$— 58,865,137
District of Columbia	95,504,737	101,897,283	99,729,483	— 2,167,800
Government Corporations	70,540,000	49,644,100	38,479,061	— 11,165,039
Independent Offices*	8,188,822,927	7,347,415,864	6,787,102,402	— 560,313,462
Interior	194,587,859	474,773,835	407,836,974	— 66,936,861
Labor—Federal Security, etc.*	1,674,158,631	1,925,247,629	1,866,053,700	— 59,193,929
Labor*	75,850,901	93,870,300	14,423,700	— 79,446,600
Federal Security*	901,670,630	1,175,608,779	1,195,861,450	— 20,252,671
Other	696,637,100	655,768,550	655,768,550	—
Legislative	55,294,435	61,379,520	56,140,401	— 5,239,119
Military	5,482,529,633	7,216,592,000	6,705,418,163	— 511,173,837
Navy	3,268,766,100	3,936,783,700	3,749,059,250	— 187,679,450
State, Justice, Com. Judiciary	551,175,932	589,417,230	511,129,662	— 78,287,568
State	232,724,703	215,823,330	202,693,862	— 13,129,468
Justice	107,488,230	116,997,000	116,655,700	— 341,300
Commerce	191,914,834	236,843,500	172,428,000	— 64,415,500
Judiciary	19,048,165	19,753,400	19,332,100	— 401,300
Treasury & Post Office	3,216,509,450	2,400,154,575	2,244,727,680	— 155,426,895
Treasury	1,684,848,400	530,823,975	490,399,855	— 40,424,120
Post Office	1,531,661,050	1,869,330,600	1,754,327,825	— 115,002,775
Civil Functions—Army	502,123,912	737,804,300	641,575,666	— 96,228,634
Total Regular Annual	\$23,913,060,442	\$25,477,477,126	\$23,684,799,395	\$— 1,792,677,731

* Includes totals carried in Supplemental bills.

DEFICIENCIES, SUPPLEMENTALS, ETC.				
Bill	Law 80th 1st	Estimates 80th 2nd	Law 80th 2nd	Reductions below Estimates 80th 2nd
Urgent Deficiency, 1947	\$179,645,668.40	.....	.....	.....
First Deficiency	2,835,161,509.32	.....	.....	.....
Second Deficiency	192,438,858.70	.....	.....	.....
2nd Urgent Deficiency, 1947	72,236,257.87	.....	.....	.....
Employees Pay Act, 1947	243,255,607.00	.....	.....	.....
Foot & Mouth Dis. Control	9,000,000.00	.....	.....	.....
Emerg. Appropriation, 1948	6,180,000.00	.....	.....	.....
Supplemental, 1948	1,658,802,197.22	.....	.....	.....
2nd Supplemental, 1948	106,695,100.00	.....	.....	.....
3rd Supplemental, 1948	914,286,500.00	.....	.....	.....
Urgent Deficiency, 1948 .....	.....	\$131,546,901.67	\$136,368,385.67	\$— 4,821,484.00
H. J. Res. 355 .....	.....	555,125,000.00	555,125,000.00	—
First Deficiency, 1948 .....	.....	1,002,150,316.84	777,986,045.84	— 224,164,271.00
Sup. Natl. Defense, 1948 .....	.....	964,100,000.00	949,000,000.00	— 15,100,000.00
Foreign Aid, 1948 .....	.....	6,533,710,228.00	6,030,710,228.00	— 503,000,000.00
Second Deficiency, 1948 .....	.....	761,135,650.28	549,774,876.36	— 211,360,773.92
Total Deficiencies, etc.	\$6,217,701,698.51	\$9,947,768,096.79	\$8,998,964,535.87	\$— 948,803,560.92
GRAND TOTAL	\$30,130,762,140.51	\$35,425,245,222.79	\$32,683,763,930.87	\$2,741,481,291.92

The national debt is now approximately \$258,000,000,000, which is a reduction from an all-time high of \$273,000,000,000. The annual interest on the national debt is \$5,500,000,000 and Government expenditures continue at an exceptionally high level.

Department of Labor

The Department of Labor received another setback in the Second Session of the 80th Congress. While the Labor Department's appropriation for the fiscal year beginning July 1, 1948, was cut only \$500,000 below funds available for the same services in the fiscal year, which ended June 30, 1948, the Department loses 1,000 of its 4,347 employees by transfer of the United States Employment Service to the Federal Security Agency.

Thus, by means of appropriation slashes and transfer of functions, the staff of the Labor Department, both in the field and in Washington, has been cut from 7,000 to a little over 3,000 in the past two years. The United States Conciliation Service was taken from the Department on August 22, 1947, under the Taft-Hartley Act.

The appropriation for the next fiscal year makes it necessary for the Women's Bureau to close all of its field offices and for the Bureau of Veterans' Re-employment Rights to drop 50 of its 85 employees and close 20 of its 35 field offices.

On the basis of Budget Bureau estimates of the Department's needs for 1949, the President had asked for an appropriation of \$16,600,300, not including the amount needed for the running of the USES in the Department of Labor. The amount actually appropriated for activities which remained in the Department was, therefore, \$2,176,000 less than the sum requested to continue the same services.

This drastic cut in appropriations will make it impossible for the Labor Department to operate effectively in order to meet the needs of 61,500,000 wage earners of this country.

This action of the 80th Congress is in direct contrast to the 1944 platform pledges of both major parties, which were to strengthen and unify the Department of Labor.

U. S. GOVERNMENT EMPLOYEES

Retirement

The enactment of the Langer-Chavez-Stevenson Bill (H. R. 4127—Public Law No. 426) which carried a large number of most desirable amendments to the Federal Retirement Law, was of major importance to all government employees. The law as amended provides for optional retirement at age 55 or later on an annuity reduced by only one-quarter of one per cent for each month the employee lacks of being 60 years of age; provides a new and simplified formula for the computation of annuities which will result in increases of approximately \$400 in annuities

under salaries then in effect and which will bring correspondingly larger annuities with each new salary increase; provides increases of 25 per cent or \$300, whichever is the lesser amount for all employes previously retired; provides for either a refund of all deductions with interest, or a deferred annuity beginning at age 62 for all employes separated from the service with more than five but less than 20 years of service; provides that employes with 25 or more years of service who are separated involuntarily, not for misconduct or delinquency, may receive an immediate annuity equal to the annuity they would have received at age 60, reduced by one-quarter of one per cent for each year the employe lacks of being 60 years of age, and eliminated the tontine charge of \$1 per month.

We gave our full support to this legislation.

The Congress also enacted the following proposals, which we supported in regard to retirement:

Public Law 263, H. R. 1995, to provide for the return of retirement deductions of employes separated with less than 10 years of service.

Public Law 768, H. R. 6641, to amend the Retirement Act to provide annuities for certain surviving spouses of annuitant retired prior to April 1, 1948.

The following laws were enacted and are of particular interest to Postal and other Government employes:

Public Law 35, H. R. 1713, to provide for the promotion of substitute postal employes on the basis of the calendar year and without regard to the number of hours of service.

Public Law 458, H. R. 5315, to ratify administrative promotions of employes in the military service.

Public Law 623, S. 1486, to provide for payment of salaries of employes found to have been improperly removed from the service.

Public Law 674, S. 1082, to allow credit for service prior to transfer within the Postal Service for purposes of automatic promotion.

Public Law 850, S. 2730, to credit service performed in the military forces and on transfers under War Service Regulations.

Salary Increases—Public Law 900

After a long struggle a bill providing a salary increase of \$450 per annum for postal workers was enacted. Some of the organizations affiliated advocated an increase of \$1,000 per annum but on December 9, 1947, the Government Employees' Council of the American Federation of Labor adopted a resolution calling for an \$800 permanent salary increase, effective July 1, 1948. Lengthy hearings were held in both House and Senate Committees and bills reported carrying amounts substantially above the \$450 finally enacted into law because on June 14 the House Committee was advised by the Republican leadership that it would accept a bill providing for a permanent increase of \$450 for postal employes,

providing the measure carried a provision to increase postal rates. As a result, Chairman Rees introduced H. R. 6916 and the bill was favorably reported to the House the following day and it was passed by the House on June 18. The next day, which was the last day of the session, the Senate passed the bill with amendments proposed by Senator Taft which provided increases of \$330 per annum for Federal employes other than postal. The House adopted the Senate version of the bill. The law as finally enacted in the closing hours of the session, after much delay and buck-passing, is woefully deficient insofar as the restoration of the purchasing power of the employes is concerned, but it represents the best that could be enacted during the 80th Congress. We exhausted every effort possible to secure a better bill, but under the circumstances the above-described bill was the best that could be secured.

Federal Employees Compensation Act Amendments

H. R. 3239 (by Keating), and H. R. 4650 (by Hartley). The language contained in the Hartley bill was reported by the House Education and Labor Committee under the Keating number, H. R. 3239. The bill, as reported, provided the following benefits: An increase in the maximum compensation for total disability from \$116.66 to \$225 per month and an increase in the minimum compensation from \$58.33 to \$112.50. The bill further provides increases from \$200 to \$400 for burial expenses and increases compensation payable to widows and children of employes in cases of death resulting from injury. The bill further provides specific benefits for the loss or loss of use of fingers, hands, arms, legs, eyes, etc., and is a vast improvement over the existing law.

Although we had definite assurances from the Chairman of the Committee that the bill would be put through prior to adjournment of the 80th Congress, it was caught in the last minute jam and failed to receive consideration. The bill is most important to Government employes and we feel that it is "must" legislation early in the 81st Congress. We will endeavor to have it reintroduced immediately after the 81st Congress convenes and press for its passage.

Per Diem Allowance—S. 544

This bill provides for an increase in the per diem allowance of U. S. Government officers and employes from \$6 to \$8 within the limits of the continental United States, higher rates may be established by the Director of the Budget under the terms of the bill. This legislation is long overdue, for it is impossible for Government employes when traveling away from home to pay their hotel room and meals on the meager sum of \$6 per day. The bill was enacted by the Senate but failed to secure House approval. We will do everything possible to secure the enactment of similar legislation in the 81st Congress.

Reclassification of Postal Employees (S. 2917)

A few days before the adjournment of the Special Session of Congress, Senator Langer for himself and Mr. Johnston, of South Carolina, introduced S. 2917.

The bill establishes uniform procedures for computing compensation and to reclassify the salaries of postmasters, officers and employees of the postal field service.

Briefly, the legislation would:

- (1) Establish a 35-hour work week, in lieu of the present 40-hour week.
- (2) Require that classified substitutes be given at least four hours' work whenever they are called to duty.
- (3) Increase the night pay differential from 10 per cent to 20 per cent for all work performed between 6 p. m. and 6 a. m.
- (4) Grant postal employees 26 days of annual leave and 15 days' sick leave in lieu of the present 15 days' annual leave and 10 days' sick leave.
- (5) Establish seven salary grades in lieu of the present 11. The proposed grades: Grade 1, \$3,100; Grade 2, \$3,200; Grade 3, \$3,300; Grade 4, \$3,400; Grade 5, \$3,500; Grade 6, \$3,600; Grade 7, \$3,700.
- (6) Establish four "longevity grades," each providing a \$100 pay increase, for employees who have worked to the top of the regular salary ladder. Promotion to these grades would be based solely on length of service.

Classification for Non-Postal Civilian Positions

Senator Langer also introduced a bill for himself and Mr. McKellar the day before the session ended to provide for the classification of all non-postal civilian positions in the Federal Government.

While no action was expected on either of these measures during the Special Session of the 80th Congress, it was thought advisable to have them introduced in order that all concerned might familiarize themselves with the intent and purposes of the legislation. They will, of course, be re-introduced in the 81st Congress and they will receive our full support.

Maternity Leave

S. 784—To provide maternity leave for Government employees.

The bill provides maternity leave with pay for a period not to exceed 60 days in any calendar year.

We support the principle provided for in this proposal because it is our opinion that the Government is morally obligated to protect the interest of our future generations.

Hearings were held in the Senate but no further action was taken.

EQUAL PAY BILL

H. R. 4273—H. R. 4408—To provide equal pay for equal work for women, and for other purposes.

For many years the American Federation of Labor has advocated certain types of protective legislation for women based on sex differentials, which prohibit night work, exceptionally long hours, limiting weights to be lifted, prohibiting employment in connection with certain persons, providing rest periods, seats, etc. The reason for this policy was conservation of the nation by safeguarding mothers—actual and potential. However, the issue of equal pay on the job, as between men and women workers, is primarily a problem of economic justice to be, in our opinion, best handled by collective bargaining as are other such problems and legislation concerning this issue must be given careful examination before approval is given.

Hearings were held by the House Education and Labor Committee but no final action was taken in this session.

LABOR EXTENSION SERVICE

S. 1390 (Companion Bills H. R. 4078 and H. R. 6202)—To broaden the cooperative extension system as established in the Act of May 18, 1914, and acts supplementary thereto, by providing for cooperative extension work between colleges receiving the benefits of this Act and the Acts of July 2, 1862, and August 30, 1890, and other qualified colleges, universities and research agencies, and the United States Department of Labor.

Briefly, the proposal would establish in the Department of Labor a Labor Extension Service, which would operate through a cooperative plan between the Department, colleges and universities, and groups of wage and salary earners requesting the service. It is a cooperative extension service for workers, which has been found practical and helpful by farmers and by employers.

Representatives of the American Federation of Labor appeared before the House and Senate Committees in support of the principle of extension service for workers. Labor wants such a program; the nation needs it. It seems unjustifiable that there should be an extension service program for agriculture, and that a similar program for labor has not been provided by the Federal Congress.

The success of such a Labor Extension Service would, as in the case of the Agriculture Extension Service, depend upon maintaining it on a cooperative basis with local labor requests and proposals initiating all undertakings. Such an Extension Service would provide materials for workers in their union activities and educational projects.

The Senate Committee reported favorably on the bill with certain amendments, but the House Committee failed to act.

CANAL ZONE

Mr. Walter Jones continued to represent the Canal Zone employees in Washington, as Legislative Representative, and every assistance possible was given to him.

Old Timers' Act

An amendment (H. R. 2273—Public No. 696—80th Congress), to the so-called "Old Timers' " Act of May 29, 1944 (Public No. 319—78th Congress), gave recognition to those who served three or more years during construction of the Panama Canal by granting them an annuity, became law.

This amendment removes a prohibition in the 1944 Act which prevented these "Old Timers" from receiving both the gratuity and the benefits of the Canal Zone Retirement Act. They now receive both.

McCarran Amendment

This amendment was again put on the Navy and both War Department Appropriations Bills (Navy, Public No. 753, 80th Congress; Civil Functions, Public No. 782, 80th Congress; and Military Establishment, Public No. 766, 80th Congress) in the identical form reported to the last convention.

The proposal to include the clause prohibiting the employment of aliens in U. S. Civil Service positions, although adopted by the Senate, was again rejected.

Teachers' Salaries

No increase was enacted for District of Columbia teachers, and Canal Zone teachers' salaries are based upon those paid in the District of Columbia.

Police and Firemen

The situation regarding the Canal Zone police and firemen is identical with that of the Canal Zone teachers.

Governor's Salary

We prepared and had introduced a bill (H. R. 5568) increasing the salary of the Governor of the Canal Zone from \$10,000 to \$25,000 as his low salary prevented some of our members receiving rates of pay to which they are entitled. The bill failed of passage but the increase granted to all United States Government employees (Public Law No. 900) has resulted in each and every one of the Canal Zone department heads under the Governor receiving a larger salary than the Governor.

PRESIDENT'S REORGANIZATION PLAN NO. 1

The plan provided for the permanent retention of the United States Employment Service in and the transfer of the unemployment compensation functions of the Bureau of Employment Security to the Department of Labor.

We strongly supported the President's proposals before the Congressional Committee because we firmly believe that all government labor activities should be placed under the direct authority and responsi-

bility of the Secretary of Labor. However, on March 16, 1948, Congress adopted H. Con. Res. 131, which rejected the President's Plan.

Later, in the closing days of the session, by the use of an appropriation bill rider, the United States Employment Service was transferred from the Department of Labor to the Federal Security Agency over an emphatic Presidential veto, which was overridden by both Houses of Congress.

LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION

S. 2237—A bill to increase certain benefits payable under the Longshoremen's and Harbor Workers' Compensation Act—Passed the House and Senate on June 14, 1948. Approved June 24, 1948. (Public Law No. 757.)

This bill amends the Longshoremen's and Harbor Workers' Compensation Act by raising from \$25 to \$35 the maximum weekly compensation rate for disability and by raising from \$8 to \$12 the minimum weekly compensation rate. Both rates, which were established in 1927, are increased by approximately 40 percent. It amends the statutory limitation of \$7,500 on total aggregate compensation for injury or death, and substitutes therefor a new over-all maximum limitation of \$11,000 upon compensation for partial disability, with a sub-limitation of \$10,000 upon that particular compensation for permanent partial disability, which is payable when the case is classified as one in which compensation shall be payable under Sec. 8 (C) 21 of the Act. On permanent total disability or death the maximum limitation of \$7,500 is entirely removed and the law now provides that no maximum limitation whatsoever shall apply in such cases.

Other amendments to the law provide for an increase from \$200 to \$400 the maximum amount allowed for funeral expenses and an increase in benefits for the dependents of the deceased, together with many other improved features of the law.

The enactment of this legislation provides increased workmen's compensation benefits to over 500,000 employees covered under the Act. They include longshoremen, ship repair workers, building and construction workers employed on bases outside the United States and those employed in private employment in the District of Columbia. Most of these employees are members of the American Federation of Labor.

For six years the American Federation of Labor proposed legislation to increase the benefit payments under this Act in an amount to keep pace with the increase in wage rates and cost of living, in order to afford workmen the same relative security in the event of industrial accidents, as they enjoyed in the years following the original enactment of the Act. Finally, the 80th Congress scheduled hearings on this subject, at our request, and enacted S. 2237, which was sponsored by the American Federation of Labor.

The Longshoremen's and Harbor Workers' Compensation Act, as now amended, is a forward step in workmen's compensation legislation and establishes a pattern for states to follow.

FAIR LABOR STANDARDS ACT LEGISLATION

Raising the minimum wage level and extending the coverage of the Fair Labor Standards Act continued during the past year to be a primary legislative aim of the American Federation of Labor.

During the course of the year, hearings on proposed revision of the Act were held both by the House Committee on Education and Labor and the Senate Committee on Labor and Public Welfare. In October, 1947, the House Committee held extensive hearings covering the entire range of the Act's administration, including all possible amendments to the law. In our testimony we strongly urged the adoption of a 75-cent minimum, strengthening the child labor provisions, and an extension of the coverage to such groups as employees in chain stores and large department stores, seamen, workers in industrialized agriculture and employees in establishments affecting commerce. Because many witnesses in these hearings took the opportunity to attack the basic principle of a minimum wage, much of our testimony was devoted to a detailed statistical and economic refutation of these arguments. Extensive references and statistical material documented our presentation.

No report was ever made by the House Committee as a result of these hearings, and no legislation on the subject was ever reported out by the Committee.

In the Senate, the hearings did not take place until April, 1948. By this time the Committee had before it two comprehensive bills amending the Act: S. 2386, sponsored by Senator Ball, and S. 2022, introduced by Senator Thomas of Utah. A careful examination of the provisions in each of these bills indicated that almost without exception S. 2386 was designed to weaken the Act's provisions, while S. 2022 would strengthen them.

The general outlook of each bill can be indicated by the fact that S. 2022 called for a flat 75 cent minimum wage, while S. 2386 included only a 60 cent minimum rate which could be raised or lowered through industry committees within a range of 50 to 70 cents.

In our testimony we analyzed the major provisions of each bill regarding minimum wages, extension of coverage, and child labor, giving specific American Federation of Labor recommendations on these questions. Even after holding these extensive hearings, the Senate Committee also did not report out any bill to amend the Act. As a result, the 80th Congress ended its session without meeting this urgent need for an increased minimum wage and an expanded Fair Labor Standards Act.

OVERTIME ON OVERTIME

The entire problem of overtime on overtime arises from the decision handed down by the United States Supreme Court in the Longshore cases. The basic question in these Longshore cases was whether the "overtime" rates set forth in the contract between the East Coast Longshore industry and the International Longshoremen's Association constituted an "overtime" payment under the Fair Labor Standards Act. This issue came before the court in a suit for back pay filed by individuals against their employers. The ILA did not support the suit contending that the employees have received their full wages under the contract.

Under the Fair Labor Standards Act, employees who work overtime are entitled to an hourly rate equal to 1½ times their "regular rate of pay."

The ILA contract states that any work performed between 5 p. m. and 8 a. m. on week days, after 12 noon on Saturdays, and all work on Sundays and holidays shall be paid at stated "overtime" rate of time and one-half, the regular rate.

The question before the court was whether these rates were true "overtime" rates, within the meaning of the law, or whether these premium payments were merely part of the "regular rate" on which overtime was to be paid. The court decision held that the premium rates paid to longshoremen for work outside of specified daytime hours may not be considered part of the overtime pay required by the Fair Labor Standards Act for work beyond 40 hours per week but must be included in the regular rate of pay on which such overtime is based.

The court decision in favor of the employees immediately created a certain amount of confusion among unions and management, since they did not know to what extent the decision should be applied to their particular collective bargaining situation. Although this decision will have relatively little effect throughout industry, there is considerable danger that anti-labor elements will attempt to use it as an excuse to tear down the standards which have been maintained for many years under the Fair Labor Standards Act.

At the present time, management's interests are supporting the Goodwin-Wiley bills (H. R. 6534 and S. 2728) which were introduced in the closing days of the 80th Congress. These bills purport to restore the conditions which existed before the Supreme Court's "Overtime on Overtime" decision, but, would actually go much further and establish conditions under which unscrupulous employers might evade the basic requirements of the Fair Labor Standards Act.

No action was taken in this session. However, Senator Donnell, Chairman of the Subcommittee to which this proposal was referred, stated that he intends to schedule hearings on this question sometime in November.

HOUSING LEGISLATION

The 80th Congress took only halfway measures to meet the critical and increasing housing shortage. The Housing Act passed in the special session of Congress in the summer of 1948 provides for aids to builders which at best may meet the housing needs of higher-income groups. By refusing to authorize a long-range program including public housing, slum clearance and urban redevelopment, rural housing, and housing research, Congress failed to tackle the most critical phase of the housing problem—securing decent homes for hundreds of thousands of low-income families now living in urban slums and dilapidated rural dwellings.

The most important housing legislation considered by the 80th Congress was the National Housing Commission Act (S. 866), introduced by Senators Taft, Ellender and Wagner on March 10, 1947. This bill embodied the major objectives of the postwar housing program of the American Federation of Labor. The Taft-Ellender-Wagner Bill was essentially a long-term measure which envisaged the construction of 15 million housing units during the next 10 years. The bill was designed to assist private enterprise to reduce housing costs and increase production of new low-income homes. It also contained essential provisions for the building of 500,000 housing units over a period of 5 years in public housing projects for low-income families, as well as government aids for slum clearance, urban redevelopment, and rural housing. The entire program was to be made more effective by government-sponsored housing research. It was these provisions for public housing, slum clearance and urban redevelopment, rural housing and housing research which called forth the most extreme form of opposition from the private real estate interests and their spokesmen in Congress.

The story of what happened to the Taft-Ellender-Wagner Bill in the 80th Congress is one of interminable delay, procrastination and subterfuge employed by the opponents of the bill in order to deny the overwhelming demand of the American people for its passage. On March 10, 1947, the Taft-Ellender-Wagner Bill was introduced in the Senate. In the main, it was very similar to the Wagner-Ellender-Taft Bill which passed the Senate in the 79th Congress but was killed in the House. About one month later, it was approved by the Senate Banking and Currency Committee, but it was not until exactly one year to the day after the action of the Committee that the Senate itself approved the bill and only after an attempt to strike out public housing from the bill was defeated by a vote of 49 to 35.

Notwithstanding the expectation of an early adjournment of Congress, the House Banking and Currency Committee did not open hearings on the bill until May 3, 1948. There followed more than a month of hearings at which a parade of witnesses repeated facts, theories, and opinions most of which had been aired in and out of the halls of Congress ever since the end of the war. At the conclusion of these hearings, Rep-

resentative Jesse Wolcott, Chairman of the House Banking and Currency Committee, and one of the most vigorous opponents of the Taft-Ellender-Wagner Bill, introduced a bill of his own (H. R. 6841) which contained only aids to private real estate interests, and thus excluded the sections of the Taft-Ellender-Wagner Bill providing for public housing, rural housing, housing research, and slum clearance and urban redevelopment.

In an amazing show of strength by the proponents of a comprehensive long-range housing program, the majority of the House Banking and Currency Committee, by a vote of 14 to 13, refused to endorse Wolcott's bill, and approved instead another bill (H. R. 6888) containing public housing and the other features of the Taft-Ellender-Wagner Bill which Congressman Wolcott had hoped to eliminate. Congressman Wolcott then took the extraordinary step of appearing before the House Rules Committee to attack the bill which his own Committee had approved. As a result of his efforts, the Rules Committee after two days of hearings voted not to report out H. R. 6888. Wolcott then reintroduced an emasculated bill essentially the same as his original bill, which was approved by his Committee by a vote of 15 to 12, and then passed by the House on June 18. This bill came before the Senate the following day, only one day before Congress was to adjourn, but that body refused to consider it in view of the House's action in scuttling the Taft-Ellender-Wagner Bill.

Finally, in the closing hours of the regular session of Congress, a bill was passed which amended the Servicemen's Readjustment Act of 1944 and which was promptly labeled the "teeny-weeny" Housing Bill. Even its proponents conceded that its two provisions, dealing with a secondary market for "GI" loans and assistance to veterans' cooperatives based on an unrealistic construction cost, could be of no assistance in meeting the tremendous housing shortage. The President in signing the bill aptly described it as a "hasty patchwork" which "failed miserably to meet the urgent needs of the people of the United States."

The fight for a decent housing bill was reopened in the summer of 1948, when the President called Congress into special session to deal with the housing and inflation problems. The American Federation of Labor and all other supporters of a comprehensive long-range housing program rallied their forces again for an all-out drive to enact the T-E-W Bill. At the same time, the real estate lobby again organized to stave off public housing and the other aids to low-income groups. Once more there was a clear manifestation of the overwhelming support of the American people for the bill, but again the public demand was stymied by the real estate lobby and its spokesmen in the House of Representatives. The Senate Banking and Currency Committee approved for a third time the essential provisions of the T-E-W Bill. When the bill came before the Senate, the statement was made that Congressman Wolcott and the majority leaders of the House of Representatives would

never even permit the bill to go to Conference if the Senate passed the T-E-W Bill. Finally, the Senate passed a bill which contained all of the aids to private building contained in the T-E-W Bill but none of its provisions for public housing, rural housing, slum clearance, and urban redevelopment. This bill became the Housing Act of 1948 when it was passed by both Houses and signed by the President. In reluctantly signing the bill, the President said:

"The Congress in enacting this bill has deliberately neglected those large groups of our people most in need of adequate housing—the people who are forced to live in disgraceful urban and rural slums."

The new Act extends credit to builders of rental housing as well as houses for sale and also contains a number of miscellaneous provisions. The major provisions relating to rental housing are as follows:

(1) It authorizes an additional \$800 million for insuring rental housing mortgages up to 90 percent of replacement cost (based on costs prevailing on December 31, 1947) but not to exceed \$8,100 per unit. To obtain this type of aid developers must certify that they will not discriminate against families with children.

(2) It provides mortgage insurance for new rental housing projects up to \$5 million to private corporations, associations, and mutual housing cooperatives and up to \$50 million to federal, state or municipal authorities or limited dividend corporations under federal or state housing laws. The specific aid is a maximum of 90 percent of value when completed (95 percent for veterans' cooperatives) with a limitation of \$8,100 per unit, or \$1,800 per room. This assistance is available only when the Administrator of the Housing and Home Finance Agency determines that there is a need for new dwellings for "lower income" families at the proposed rentals (monthly payments if for housing cooperatives).

(3) With the stated intent to encourage investment in rental housing for moderate income families, there is a provision for 2½ percent yield insurance for projects which are certified by the Administrator to satisfy a need for new rental dwellings in the area at the proposed rents, to be economically sound, and to have a rent schedule approved by him as being not lower than necessary to produce reasonably suitable revenues, and not higher than necessary to meet the need for dwellings for moderate income families. (Although it is not stated in the Act, presumably the rentals for these units will be even higher than those built under the provisions for so-called "lower income" rental housing.)

The chief aids to private builders of houses for sale under the Act are as follows:

(1) An additional authorization of \$35 million is made for guaranteeing loans to builders of new houses costing not more than \$4,500. (This provision is supposed to encourage building of very low-cost houses in certain rural areas of the South.)

(2) Mortgage loans are to be insured up to 95 percent on houses costing approximately \$6,300 or less, 90 percent where the house costs \$7,000 or less, and on houses exceeding \$11,000 or less at the rate of 90 percent for the first \$7,000 and 80 percent for the remaining amount.

(3) Provision is made for insurance up to 80 percent of loans covering construction advances on projects of 25 or more single-family units costing \$7,500 or less apiece.

There are also a number of other provisions in the Act. It extends loans up to 75 percent to prefabricators for their investment in plant, equipment, and machinery. It provides a secondary market for Veterans Administration "GI" and FHA mortgages by allowing 50 percent of such mortgages made after April 30 to be rediscounted by the Federal National Mortgage Association, a Reconstruction Finance Corporation subsidiary. The Act also sets up a section in the Housing and Home Finance Agency to promote standardized building codes and use of standardized dimensions and methods.

The new Housing Act has not been on the statute books long enough to determine exactly what effect, if any, it will have on the acute housing shortage. However, it is clear that in many respects it utterly fails to solve the housing problem. It contains no provisions to meet the urgent need for rental housing for low-income families. Its rental housing provisions, based on construction costs of \$8,100 per unit, mean rents of \$80 and up a month, far more than low-income families can afford to pay. The mere assertion in the Act that certain sections are designed to provide rental housing for low-income and moderate income families gives no assurance whatsoever that dwellings will actually be built to rent within the means of such families.

Its passage may possibly result in the construction of a few additional houses for sale at slightly reduced selling prices. However, it should be emphasized that the major requirement at the present time is not for extensive aids to builders, which tend to be inflationary. What we need is the construction of houses which the average worker can afford to buy or rent. We also need long-term rural housing, slum clearance and urban redevelopment programs. The Housing Act of 1948 contains none of these basic requirements and therefore cannot but fail to meet the most urgent housing needs of the nation.

The second session of the 80th Congress continued to follow the pattern of the first session in doing everything possible to hamstring the Public Housing Administration. The appropriation of administrative funds for this agency, which had been cut during the fiscal year 1948, was reduced still further for the fiscal year 1949. Moreover, drastic salary restrictions for employees of the agency which were put in effect last year have been continued. These restrictions have had a demoralizing effect on the work of the agency.

Not content with these crippling restrictions, the House Appropriations Committee, which holds the purse-strings of the agency, recommended the closing of all PHA regional offices, knowing full well that a successful public housing program can only be carried out in the various communities where the public housing projects are located.

As a result of this recommendation, PHA has been forced to centralize in Washington the majority of its functions. This centralization, forced by a Congress which has paid lip service to the principle of local action and local initiative, will very greatly hamstring the administration of the public housing projects.

The cities have been hard hit by continuation of a provision enacted in the first session of the 80th Congress which causes payments in lieu of taxes to be made on an unfair and inequitable basis.

INTERNATIONAL LABOR ORGANIZATION

S. J. Res. 117—Providing for acceptance by the United States of America of the Constitution of the International Labor Organization Instrument of Amendment, and further authorizing an appropriation for the payment of the United States' share of the expenses of membership and for expenses of participation by the United States. Passed June 17, 1948. Approved June 30, 1948. (Public Law No. 843.)

The Resolution authorizes the President to accept for the Government of the United States of America the Constitution of the International Labor Organization Instrument of Amendment adopted by the Twenty-ninth Session of the International Labor Conference on October 9, 1946.

It authorizes an annual appropriation to the Department of State—

(a) such sums, not to exceed \$1,091,739 per annum, as may be necessary for the payment by the United States of its share of the expenses of the organization, as apportioned by the International Labour Conference in accordance with article 13 (c) of the constitution of the Organization; and

(b) such additional sums, not to exceed \$95,000 per annum, as may be necessary to pay the expenses incident to participation by the United States in the activities of the Organization.

We favored the enactment of this legislation and support our continued participation in this organization.

PHYSICALLY HANDICAPPED

Since the war, the ranks of the physically handicapped have swollen to its highest peak, not only by disabilities incurred on the battlefield, but by accidents in factories, in homes, on the streets and highways, and on farms, and by illness and disease. The annual accident total in factories, homes, and on the highways is about 350,000. Additional thousands are disabled each year by disease and other causes.

For many years the American Federation of Labor has been vitally interested in this most important problem, particularly with the job of eliminating the economic effects of handicaps which interfere with a worker's opportunity to lead a full and a prosperous life. There is no doubt that opportunity for the physically handicapped has increased markedly in recent years, and we are proud of the part that organized labor has played in helping bring about this improved situation. But

the important fact facing us today is not that conditions have improved, but that we must make them still better before we attain the goal of full opportunity for the physically handicapped.

Following is a list of proposals, of interest to labor, which were introduced in the 80th Congress to assist the physically handicapped.

H. R. 4236—Amends the Civil Service Act to remove certain discrimination with respect to the appointment of persons having any physical handicap to positions in the classified civil service. Passed June 3, 1948. Approved June 10, 1948. (Public Law No. 617.)

H. R. 254—To authorize the Director of Vocation Rehabilitation in the Federal Security Agency to encourage, foster and assist in the development, establishment and maintenance of special services and facilities for handicapped persons. No action was taken on this bill.

S. 2319—To provide for a survey of physically handicapped citizens. The bill would authorize the Director of the Census

(1) to make a survey of the population of the United States to determine, insofar as possible, the number, age, and location of physically handicapped citizens;

(2) to prepare and submit to the President and to the Congress a preliminary statement outlining plans for classifying citizens found to be physically disabled;

(3) to report to the Congress, within 18 months after the date of enactment of this Act, the results of such survey.

Reported favorably out of Senate Post Office and Civil Service Committee, but no further action was taken.

S. 2896—To establish a Federal Commission on Services for the Physically Handicapped, to define its duties, and for other purposes.

The bill provides for an overall comprehensive program to aid the physically handicapped, and the establishment of a National Commission on Employment of the Handicapped, composed of organizations and individuals outside of the Government, to encourage employment of the handicapped.

No action was taken on this bill.

H. R. 6525—To amend the Public Health Service Act to provide for research and investigation with respect to the cause, prevention, and treatment of cerebral palsy, and for other purposes.

No action was taken on this bill.

H. R. 6653—To amend the Public Health Service Act to improve the leprosy situation in the United States, and for other purposes.

No action was taken on this bill.

We favored the enactment of these proposals and will continue to give full support to all practical legislation to assist the physically handicapped.

SCHOOL LUNCH PROGRAM

For the fiscal years of 1946 and 1947 the sum of \$75 million was appropriated by Congress for this program. This amount proved grossly

inadequate due to the sharp increases in food prices within that period.

The Secretary of Agriculture recommended that \$600 million be appropriated for school lunches so that the program could be extended into all localities to service all of our 25 million school children, instead of 5 million by reason of the limited amount made available for this program. It was pointed out that England has a similar program and appropriates \$300 million a year for it.

The American Federation of Labor is in hearty accord with the purposes of the National School Lunch Act and we, therefore, urged Congress to appropriate sufficient funds for the continuance and furtherance of this humanitarian project.

Despite this, the 80th Congress, in its First Session, reduced the appropriations from \$75 million to \$65 million. Thus, hundreds of thousands of our children were deprived of the benefits they have received under this program in previous years.

However, in the Second Session of Congress the sum of \$75 million was appropriated for the 1949 fiscal year, which merely restores the cut made by Congress in the last Session. They failed to take into account the drastic increase in food prices over the past two years, and, as a result, further reduction of services for our school children will have to be made.

The School Lunch Program started during the depression in order to use surplus farm products and to feed children without imposing a relief system on families. Since that time, it has provided proper nourishment for over 5 million children between the ages of 5 and 17, and has aided in building healthy bodies, so necessary as a basis to make a successful life.

In recent years, nutritional surveys in a number of cities and groups report inadequate nutrition for children ranging in percentages from 24 to 84.

The cooperative Federal-State-Community Lunch Program, provided for under the National School Lunch Act of 1946, makes possible nutritious, hot food for all children—so that no discrimination is attached. These lunches make all the difference in the world in physical and mental vigor of students who are victims of hunger due to low income, as well as of those who are normal, growing children. School lunches are just as necessary to child health and development as other services, such as transportation, school books, medical examinations, etc., in fact, without the School Lunch Program other services cannot fulfill their full functions.

POWER, RECLAMATION, IRRIGATION, FLOOD CONTROL, ETC.

All projects for these purposes are naturally inter-related because of water. The control of floods provides water for irrigation and for generating large quantities of power and prevents erosion of soil from fertile

farm lands. Misused grazing lands, mountains stripped of timber, and eroding farms contribute largely to floods. As stated before, all of these things are inter-related and numerous projects similar to TVA should be inaugurated to preserve the natural resources of the country.

During 1947, on many occasions, the U. S. House of Representatives went on record in favor of heavy cuts in the appropriations for reclamation but the Senate invariably restored them in full or at least in part, and as a rule a compromise was agreed upon above that originally approved by the House without a roll call vote. In 1947, the House voted a 50 percent reduction in appropriations for western reclamation projects and as a result, members from western states, in both parties, were so enraged that the Senate restored most of the cuts and the increases voted by the Senate were accepted by House without a record vote.

In a deficiency bill later passed, the House added additional funds and actually brought the total appropriations for reclamation above the original budget figures, also without a record vote.

The power interests, of course, are opposed to such power developments under Federal control as TVA, and when an amendment was offered to the appropriations for TVA (H. R. 6481) for \$4,000,000 to provide an auxiliary steam plant at New Johnsonville, Tenn., it was rejected on May 11, 1948.

On June 19, an amendment was offered to agree to a Senate amendment increasing TVA appropriations approximately \$3,500,000 and also to agree to the Senate amendment providing the \$4,000,000 for the steam plant at New Johnsonville.

This vote, particularly on the \$4,000,000 for the New Johnsonville steam plant, was recognized as a test of strength on power policy and groups from far outside the Tennessee Valley sought to win Congress over to their viewpoint against the plant and did so, as Congress finally rejected the appropriations for the plant by a very close vote.

Private power interests are opposed to Government projects furnishing power as it serves as a yardstick and keeps the cost of electrical power within the bounds of reason.

An additional reason for the erection of dams is for the conservation of water as in some of the far western states the water table is 60 feet below the level of 25 years ago, as water has been pumped off faster than it is replaced.

The Bonneville Dam and the Grand Coulee Dam are examples of the value of low-cost electricity as without them new industries would not have been located in the northwestern states.

It is recommended that labor be alert in regard to the activities of the Power Lobby to hamper such projects and that our support be continued for such projects.

MISSOURI VALLEY AUTHORITY

S. 1156—Provides for the establishment and maintenance of a broad program of unified water control and resource development for the Missouri Valley Region, consisting of the entire Missouri River, its tributaries and watershed, as located within the following states: Montana, Wyoming, North Dakota, South Dakota, Nebraska, Kansas, Missouri, Colorado, Minnesota, and Iowa.

For several years the American Federation of Labor has appeared before Congress in support of the enactment of such legislation. However, in this session of Congress we failed to get any action whatsoever on this bill, due to the bitter controversy over the St. Lawrence Waterway project.

We feel that this legislation is essential to the welfare of our Nation, particularly at this time, and will continue support of this proposal as authorized by previous conventions.

ST. LAWRENCE WATERWAY

S. J. Res. 111—Approving the agreement between the United States and Canada relating to the Great Lakes-St. Lawrence Basin with the exception of certain provisions thereof; expressing the sense of the Congress with respect to the negotiation of certain treaties; providing for making the St. Lawrence Seaway self-liquidating; and for other purposes.

The 1941 Convention Committee made the following report which was adopted by the Convention:

"The Executive Council reports its opposition to the Great Lakes-St. Lawrence Waterways Project and the agitation in Congress for favorable action upon it. Also it reports the allocation by the President of \$1,000,000 for preliminary work on the ground that power to be developed is needed for defense purposes. It is pointed out that the major part of the cost of the St. Lawrence Project is to be borne by the United States while most of the work will be done by Canadians. There is much opposition to the St. Lawrence Project on the grounds that projects within the United States should be given prior consideration.

"At the request of the President, the St. Lawrence Project is included in the current rivers and harbors bill before Congress. The bill also includes the Florida Ship Canal Project. Consideration of this measure was to begin about September 15, 1941.

"The committee recommends acceptance of this section of the Executive Council's report, and the Executive Council is instructed to give further study to the St. Lawrence Waterway Projects and to consult with labor organizations who are concerned."

On November 14, 1947, in a memorandum to President Green, the Chairman of the National Legislative Committee directed his attention to the action of the 1941 Convention and pointed out that because of the war the St. Lawrence Project had lain dormant, and, therefore, the study and consultation with labor organizations, which the Executive Council was instructed by the Convention to make, had not been undertaken.

He further advised President Green that he was informed that the steering committee of the Senate would place the proposal on the program and that it would probably be considered prior to the adjournment of the Council meeting, which was to begin January 26, 1948.

The Council gave full consideration to the proposal and all circumstances connected with it and wired the Legislative Committee that the Council had reaffirmed its previous action and that of previous conventions and instructed the committee to oppose favorable action on the St. Lawrence Waterway Project.

The resolution which had been favorably reported by the Senate Foreign Relations Committee, with the minority report, was taken up in the Senate on January 26, 1948, our opposition was made, and after considerable discussion S. J. Res. 111 was recommitted by a vote of 53 to 30, thereby killing the proposal.

The New York State Power Authority, with the support of the Federal Power Commission, reached an agreement with the Canadian Province of Ontario to construct a dam at International Rapids for a St. Lawrence power project with its cost and power to be shared by New York and the Canadian Province of Ontario.

We are advised that the agreement was sent to the United States State Department for routine transmittal to the International Joint Commission, which has final say on the question.

Instead of following this procedure, the State Department has pigeonholed the agreement and proponents of this power project contend coal and railroad interests are responsible for the State Department's action.

Should the project be approved it would not necessarily mean Congressional approval of the St. Lawrence Waterway.

We recommend continued opposition to the St. Lawrence Waterway.

INLAND WATERWAYS

Included in the appropriations of the Inland Waterways Corporation, Congress authorized the payment of \$1,482.90 for wages withheld from 12 of 18 former employees who were discharged by the company under the provisions of the Ball rider to the Government Corporations Appropriations Act of 1947.

In the month of November, 1946, a three-day work stoppage occurred in the operations of the Inland Waterways Corporation. Immediately after the work stoppage, all of the employees were reinstated into their former positions. Subsequent to this, the managers of the Inland Waterways Corporation discharged 18 of the 500 employees involved and withheld wages due them in the amount of \$3,918.48 for work actually performed before and after the date of the work stoppage.

Since that time the International Longshoremen's Association and the American Federation of Labor have urged Congress to authorize the

payment of wages illegally being withheld by the Inland Waterways Corporation.

The House approved payment of the full amount, but it was knocked out by the Senate and sent to conference. The conferees compromised on the amount and authorized payment of \$1,482.90 to only 12 of the 18 employees involved. In their opinion, with respect to authorizing the payment to 12 former employees and to the exclusion of 6 others, it was stated that on the part of both Houses such action should not be construed as a bar or limitation on the rights of any such former employees of this corporation to make or prosecute claims for funds alleged to be owing to them.

This compromise with justice and with principle is a travesty.

We will continue our efforts in the next session of Congress to enact legislation to correct this injustice.

IMMIGRATION AND NATURALIZATION

From 1820 to 1947 immigration to the United States reached 38,717,408, the majority being admitted prior to the enactment of the 1924 Quota Act. Since 1924, 2,718,106 immigrants were legally admitted to the United States, in contrast to 16,875,676 between 1900 and 1924.

Immigration to the United States in 1947 was 147,292, the highest since 1930. It is expected to go higher in 1948, due to the unsettled conditions abroad and the increasing desire of people from other lands to come here to enjoy the better economic opportunities afforded them in this country.

As reported to the last Convention, there were numerous bills introduced in the 80th Congress to modify our immigration and naturalization laws. While some of these proposals would practically close the doors to all immigration from abroad, there were others which would seriously weaken our present effective barriers. We continued to adhere closely to the traditional policy of the American Federation of Labor and were successful in blocking the enactment of any permanent major change in existing laws.

Following is a list of the Public Laws, enacted in the Second Session of the 80th Congress, relating to immigration and naturalization.

H. R. 4838—To extend the period of validity of the Act to facilitate the admission into the United States of the alien fiancées or fiancés of members of the Armed Forces of the United States. Passed March 17, 1948. Approved March 24, 1948. (Public Law No. 450.)

H. R. 5137—Granting non-quota immigration status to alien husbands of American citizens provided marriage occurred prior to January 1, 1948. Passed May 10, 1948. Approved May 19, 1948. (Public Law No. 538.)

H. R. 1878—(Amending the Act of October 16, 1918)—Excluding aliens engaging in activities which would endanger the public safety of

the United States. Passed May 18, 1948. Approved May 25, 1948. (Public Law No. 552.)

H. R. 5193—Naturalization of alien veterans of the United States Armed Services. Passed May 18, 1948. Approved June 1, 1948. (Public Law No. 567.)

H. R. 5922—Permitting the issuance of reentry permits to certain treaty merchants. Passed May 24, 1948. Approved June 3, 1948. (Public Law No. 600.)

H. R. 6396 (S. 2242)—Displaced Persons Admission Act of 1948. Passed June 19, 1948. Approved June 25, 1948. (Public Law No. 774.)

Displaced Persons

The problem of admitting displaced persons from war-torn Europe was before Congress in various bills and resolutions.

The American Federation of Labor supported the enactment of H. R. 2910, an emergency measure introduced by Representative Stratton, which provided for the admission of 400,000 displaced persons during the next four years. This bill would not effect any permanent immigration change, but was an emergency measure of temporary character. It carried out, in part, the resolution of the 65th Convention of the American Federation of Labor.

The bill finally enacted, known as S. 2242 (Public Law No. 774) authorizes the admission of 202,000 displaced persons into the United States, without regard to quota limitations for the next two fiscal years following the passage of this act. However, the law contains many discriminatory provisions which, in their effect, if not in each case by design, impose the most rigorous limitations upon certain groups of deserving displaced persons.

In the Special Session of Congress the American Federation of Labor supported amendments to the law.

(1) Changing the cut off date in the definition of displaced person from December 22, 1945, to April 21, 1947;

(2) Omitting the vocational and housing prerequisites as a condition of eligibility;

(3) Providing for the admission, during the next four fiscal years, of 402,000 eligible displaced persons (the proviso that 40 percent of the visas issued shall be available to nationals of countries and provinces made de facto parts of a foreign power would be eliminated);

(4) Eliminating the provision for charging visas to quotas as established by law;

(5) Authorizing the Attorney General under Sec. 4 (a) to adjust the status of the 15,000 displaced persons residing in the United States;

(6) Removing the special preference for persons engaged in agricultural pursuits;

(7) Extending the term of members of the Displaced Persons Commission to June 30, 1953.

However, the committee, by a close vote of 6 to 5, declined to take any action in the Special Session.

We recommend that continued support be given to the foregoing amendments, in the next session of Congress, in order to rectify the injustices which were embodied in the Displaced Persons Act of 1948.

H. R. 5886—Correcting an error in Sec. 332 (a) of the Nationality Act of 1940. Passed June 18, 1948. Approved June 25, 1948. (Public Law No. 783.)

H. R. 2933 (H. R. 3566) (Amending the Immigration Act of 1917)—Regulating the Attorney General's powers regarding suspension of deportation. Passed June 18, 1948. Approved July 1, 1948. (Public Law No. 863.)

We opposed this proposal, as originally introduced, because it gave the Attorney General full authority to offer sanctuary to those who deliberately entered this country illegally. However, the bill (H. R. 3566), as finally enacted, met most of our objections.

S. 2767—Authorizes the recruiting of foreign workers within the Western Hemisphere and workers in Puerto Rico for temporary, agricultural employment in the Continental United States and to direct, supervise, coordinate and provide for the transportation of such workers from such places of recruitment to and between places of employment within the Continental United States and return to the places of recruitment not later than June 30, 1949. Passed June 19, 1948. Approved July 3, 1948. (Public Law No. 893.)

This law is the continuation of the Farm Labor Supply Program enacted during the war as an emergency measure, which terminated December 31, 1947. The renewal of this program appears to be predicated on the assumption that there is a critical shortage of agricultural labor. The proposal that the only solution to this problem is the importation of foreign farm labor, despite the fact that the existing wage now being paid farm laborers is substandard in the dominant part of the industry, is unfounded.

We firmly opposed the enactment of this legislation. It is our sincere and considered judgment that the continuation of this program will menace labor in this country and become a serious threat to our entire economy. We recommend that continued efforts be made to prevent the continuation of this program after June 30, 1949, the expiration date of this Act.

The following are other immigration bills of interest to Labor upon which some action was taken:

H. R. 84 (Amending the Nationality Act of 1940)—Eligibility for United States citizenship of persons serving in foreign armies. Passed the House. Reported by Senate Committee, July 11, 1947.

H. R. 1975 (Amending the Immigration Act of 1917)—Giving the Attorney General five years to cancel suspension of deportation and en-

suing naturalization if obtained by fraud. Passed the House. Reported by Senate Committee, April 30, 1948.

H. R. 2032 (Amending the Nationality Act of 1940)—Preserving residence period for naturalization of aliens serving with allied armies. Passed House April 9, 1947.

H. R. 3555 (Amending the Nationality Act of 1940)—Naturalization of racially ineligible Gold Star and Purple Heart parents. Passed House July 7, 1947.

H. R. 5119—Excluding stowaways and increasing penalties for bringing stowaways. Reported to the House February 19, 1948.

H. R. 5310—Permitting immigration and naturalization of Siamese. Passed House March 15, 1948.

H. R. 6652—Exempting deportation proceedings from certain requirements of the Administrative Procedures Act. Reported to the House June 2, 1948.

S. 2432—Providing for annual registration of aliens. Reported to the House June 4, 1948.

H. R. 6809 (Superseding H. R. 5004)—Repealing racial restrictions of the immigration and naturalization laws. Ordered reported to the full committee June 3, 1948.

The primary purpose of this bill is to remove racial discrimination in existing law and make it possible for Asians and natives of the Pacific islands to enter the United States as quota immigrants. The Japanese are included. By special legislation, the Chinese and the peoples of India may now emigrate to the United States.

The bill retains the essentials of the Immigration Act of 1924, as amended, but extends to peoples of other Asian countries and to the Pacific islands the opportunity to emigrate to the United States.

Under this bill the privilege of becoming a naturalized citizen of the United States, or of immigrating to this country, would be determined solely on the basis of individual qualifications, and would not be denied because of race, and, therefore, it extends these privileges to those people who are now ineligible to citizenship on account of their race. The only aliens now living in the United States who could become citizens under the bill are those who have been admitted for permanent residence and who might adjust their immigration status under existing law. Those aliens, now barred from admission as quota immigrants because of race, but whose eligibility for entrance to the United States under quotas would be established by the bill, would comprise people of Asian and Pacific islands ancestry, and the number admitted would be less than 1 percent of the total of the present immigration quotas—which now total 153,929.

The arguments advanced in support of this legislation point out that the interests of the United States would be served by the removal of the present bars, contained in our naturalization and immigration laws,

against certain peoples on the basis of race; that such laws have complicated the conduct of foreign relations for many years and their presence on our statute books have been and are being used in foreign propaganda against the United States.

The Committees of Congress recently have given more than the usual attention to the question of immigration, deportation, naturalization, and related subjects. Extensive hearings are now being held, and will continue up to the end of the year, on all phases of these subjects.

The American Federation of Labor believes in the policy of selective immigration. We favor the Quota Act because we are opposed to opening up our gates to free, unrestricted, or unregulated immigration. But as long as the principles of existing immigration laws are not violated, we are in no danger of being flooded by undesirables from abroad. We recommend that all phases of the traditional immigration policies of the American Federation of Labor be maintained.

TAXATION

We reported to the 1947 Convention on the contest between the President and the Congress regarding Tax Legislation, the Congress having passed two bills, H. R. 1 and H. R. 3950. The President vetoed both of these bills and his veto was sustained on H. R. 1 by the House by a vote of 268 to 137. The Senate sustained his veto on H. R. 3950 by a vote of 57 to 36. All this occurred in the 1st Session of the 80th Congress. In the 2nd Session of the 80th Congress, during 1948, the Congress enacted H. R. 4790, which the President also vetoed and which was passed over his veto on April 2, 1948, by a vote of 77 to 10 in the Senate and 311 to 88 in the House of Representatives and the legislation became Public Law 471 of the 80th Congress.

As enacted, it provided for tax cuts approximating five billion dollars. It contains an increase in per capita exemption from \$500 to \$600. Persons over 65 also secured additional exemption and there was an increase in the standard deductions, percentage reductions, special provisions for the blind, and a provision for income splitting for married couples. These reductions amount to approximately \$4,737,000,000 and in addition changes in the estate and gift tax provisions will result in a further loss of revenue of one-quarter billion dollars.

However, the overall effect of the law gave taxpayers in the income groups above \$3,000 the bulk of the savings. 79.6 per cent of the taxpayers in the income groups below three thousand dollars per annum received an average tax reduction of approximately \$40, while ten and one-half million taxpayers in the income groups above \$5,000 received an average savings in taxation of approximately \$245 each.

We reiterate our recommendations to the 1947 Convention and wish to emphasize that in tax reduction proposals the tax burden should be lightened on those in the low income groups.

Executive Council Member Matthew Woll, as a member of the Special Tax Study Committee of the Committee on Ways and Means of the U. S. House of Representatives, made a minority report to the House Committee under date of November 3, 1947, which is an excellent one.

ANTI-INFLATION LEGISLATION

The continued rise in prices has presented Congress and the country with its No. 1 domestic problem, inflation.

Since last year, one regular and two special sessions of Congress failed attempts to deal with this problem.

The special session of November, 1947, was called by President Truman for the specific purpose of dealing with the continued rise in prices. At this time the President recommended a 10-point program, including selective price and wage control, compulsory allocation authority, power to ration essential cost-of-living commodities, controls over bank and consumer credit, and certain other controls over speculation, exports, and materials for transportation equipment. In presenting this program, however, the President was handicapped because his own advisers were divided over the methods to be used in carrying it out.

After some debate, Congress passed three of the less controversial points in the President's program (export controls, control over materials for transportation equipment, and a measure relating to conservation methods in agriculture). In addition, a measure was passed giving the President limited authority to supervise a system of voluntary allocation controls. The purpose of this latter measure was to make certain that a portion of the limited supply of steel would be available for certain important uses. Although several voluntary allocation programs have been worked out with industry representatives, the difficulties so far encountered emphasize the weakness and ineffectiveness of this measure.

At this special session, which began July 26, 1948, the American Federation of Labor was not permitted to present its views to Congress and stood on its testimony presented during the regular 1948 session by President Green.

In his testimony, President Green traced the course of wages and prices since the war years, cited the hardships which workers' families have undergone as a result of the inflation, and emphasized the need for a comprehensive effective program to fight inflation. He endorsed most of the points in the President's program, but vigorously denounced the proposal relating to wage controls, pointing out how the mechanism of collective bargaining could effectively prevent inflationary wage increases, even when the employer concerned was operating under price control.

In spite of the strong arguments for an effective anti-inflation program, the regular session of Congress took very little action in this direction. It did extend the rent control law with a few modifications, some of which weakened while others strengthened its enforcement.

However, the passage of the tax reduction bill and several other measures was clearly inflationary. No action was taken on any measure concerning credit controls, rationing, selective price control, allocations, or speculation in agricultural commodities.

The entire question of an anti-inflation program was reopened with the calling of the July special session by President Truman. At that time the President submitted a revised 8-point program including many of the measures he previously recommended, but adding a recommendation for an excess profits tax. The only action taken by Congress was to pass a feeble measure containing two of the requests made by the President. This measure (Public No. 905—80th Congress) gives the Federal Reserve Board two additional powers:

(1) It revived the Board's wartime power to regulate terms and conditions of installment buying.

(2) It gave the Board authority to increase the reserves which member and non-member banks are required to hold against their bank deposits.

It is believed that the little tightening of credit which this measure makes possible will not be sufficient to stem the continually advancing tide of inflation.

VETERANS LEGISLATION

During the 80th Congress approximately 500 bills and resolutions relating to veterans were introduced for consideration. Out of this number, 36 are now Public Laws, 6 passed the House but failed to pass the Senate, and 1 was vetoed.

Bills of major importance to the veteran, passed in the Second Session of the 80th Congress, are as follows:

S. 1393—Raises the ceilings on wages and subsistence allowances payable to Veterans undergoing institutional or on-the-job training as follows: \$210 for Veteran without a dependent (formerly \$175), \$270 for Veteran with one dependent (formerly \$200), and \$290 for Veteran with two or more dependents (formerly \$200), also granted increase to part-time institutional and institutional on-the-farm trainees, and excludes overtime in determining ceiling. Passed April 21, 1948. Approved May 4, 1948. (Public Law No. 512.)

S. 595—Increases compensation rates for disability incurred in peacetime service to 80 per cent of rates payable for similar disability incurred during wartime service. Passed June 19, 1948. Approved July 2, 1948. (Public Law No. 876.)

S. 2825—Increases service-connected death rates of compensation for widows and dependents to: Widow, no child, \$75; widow, one child, \$100; with \$15 for each additional child; no widow, but one child, \$58; no widow, two children, \$82; no widow, three children, \$106; \$20 for each additional child; \$60 for a dependent mother or father (or both, \$35 each); rates

for peacetime veterans' widows and dependents set at 80 per cent of above. Passed June 18, 1948. Approved July 1, 1948. (Public Law No. 868.)

H. R. 4055—Provides increase of 20 per cent in rates of service pension for veterans of Indian wars and their dependents. Passed January 14, 1948. Approved January 19, 1948. (Public Law No. 398.)

H. R. 4141—Amends the National Service Life Insurance Act to extend for 2 years the time within which eligible persons may apply for payment of automatic (gratuitous) insurance death benefits. Passed February 25, 1948. Approved March 3, 1948. (Public Law No. 429.)

S. 1394—Increases subsistence allowances for World War II Veterans pursuing full-time institutional training to \$75 per month, if without a dependent, or \$105 per month if he has one dependent, or \$120 per month if he has more than one dependent. Passed February 3, 1948. Approved February 14, 1948. (Public Law No. 411.)

H. R. 4962—Grants pension to unremarried widows of Spanish-American War Veterans, 60 years of age, who married veteran 10 years prior to his death. Passed June 18, 1948. Approved June 24, 1948. (Public Law No. 762.)

S. 2821—To increase compensation for veterans 60 per cent or more disabled and who have dependents. Passed June 18, 1948. Approved July 2, 1948. (Public Law No. 877.)

H. R. 6507—Authorizes additional period of 5 years for all level-premium-term insurance on all policies issued prior to January 1, 1948. Passed June 18, 1948. Approved June 29, 1948. (Public Law No. 838.)

H. R. 4917—Amends the Act of July 31, 1946 with respect to civil service benefits for certain veterans of World War II who lost opportunity for probational civil-service appointments by reason of their service in the armed forces of the United States. Passed June 18, 1948. Approved June 28, 1948. (Public Law No. 802.)

H. R. 4244—Granting financial assistance up to \$10,000 to permanently paralyzed veterans of World War II, most of whom are wheel-chair cases, for building or remodeling specially adapted houses suited to their physical limitations. Passed June 12, 1948. Approved June 19, 1948. (Public Law No. 702.)

H. R. 6055—Providing a \$3,000,000 deficiency appropriation for the Veterans Administration to allow the retention of some 3,000 employees to carry out essential services to veterans which otherwise would have been abandoned. Passed May 6, 1948. Approved May 10, 1948. (Public Law No. 519.)

H. R. 2181—Providing for institutional on-the-farm training for veterans on the same basis, virtually, as that provided for men in crafts skills, thus placing it on a parity with other vocational programs. Passed July 26, 1947. Approved August 6, 1947. (Public Law No. 377.)

S. 2790—Which provides a secondary market for veterans' home

loans and permits the Federal Housing Administration to insure up to 95 per cent of loans for non-profit veterans' cooperative housing projects. Passed June 19, 1948. Approved July 1, 1948. (Public Law No. 864.)

The bill vetoed by the President (H. R. 6656) would authorize the Veterans Administrator to prescribe the rates of pay for certain field positions, notwithstanding the Classification Act of 1923. Passed June 18, 1948. Vetoed July 3, 1948.

Other laws, which were enacted in this Session of Congress, provided for additional hospital facilities and medical care for veterans, together with minor measures to improve the functions of the Veterans Administration.

In addition to its legislative activities, the House Veterans' Affairs Committee made group and individual inspections and surveys of Veterans Administration Hospitals. A survey was also made into the operation of the Insurance Division of the Veterans Administration, and appropriate recommendations were made to the Administrator of Veterans' Affairs suggesting certain changes in procedure, which, it is believed, if followed, will result in more efficient handling of the United States Government and National Service Life Insurance problems.

As stated in our last report, we have given our full support to all measures favorable to veterans. Although the legislation enacted in the 80th Congress does not meet fully the proposals of the American Federation of Labor, we feel that remarkable progress is being made in behalf of the veteran.

APPRENTICESHIP TRAINING PROGRAM

In the second session of the 80th Congress an attempt was made to increase the maximum period of training of the Veterans' On-the-job Training Program from a period of two years to four years. This would seriously weaken the Federal and State Apprenticeship Training Program, which has worked out so well in the past years. It would permit non-apprenticeship agencies to establish on-the-job training programs under apprenticeable titles for a period of four years, which would lead to endless confusion and break down the standards established under the present apprenticeship system.

Under minimum standards of apprenticeship, the employer must guarantee to increase the apprentice at regular intervals, give him training in the key skills of the trade, arrange for related instruction in blueprint reading and applied mathematics, he can hire only a certain number, and he must indenture the veterans.

However, under the on-the-job training the employer is allowed considerable leeway, he need not indenture the trainees, the programs of training are usually formulated by novices with no technical experience in setting up on-the-job training programs, and the number of trainees is not closely watched.

When Public Law 346, the G. I. Bills of Rights, was passed in June, 1944, requiring the States to establish local agencies to certify employers for training veterans, most of the States appointed State Boards of Commissioners of Education as the certifying agencies. Many of these State Boards took it upon themselves to approve employers for apprenticeable trades that had been turned down by the apprenticeship agencies as being unable to meet standards or because they did not have facilities to train in these trades.

In August, 1946, Congress passed Public Law No. 679, limiting States certifying agencies to the approval of programs only up to two years, thus taking them out of competition with Federal and State apprenticeship agencies. All requests covering two or more years of on-the-job training had first to be approved by the apprenticeship agencies before the State Boards of Education could certify them for G. I. training.

The attempt to change the maximum period of training of the Veterans' On-the-job Training Program from a period of two years to four years was instituted in the House of Representatives by an amendment to S. 1393, passed by the Senate. This bill provided for an increase in the rate of allowance in compensation for training on the job under the G. I. Bill of Rights, as amended. We vigorously opposed this amendment on the basis that the Boards of Education would again be in competition with the apprenticeship agencies, approving the "chiselers," the "exploiters," and the employers who are using on-the-job training for "cheap labor" and thus underbidding their competitors.

As a result, we were successful in knocking out the amendment in conference.

STATE EMPLOYMENT SERVICE EMPLOYEES

H. R. 5002—To provide compensation for excess hours of work by certain employees of the United States Employment Service.

Briefly, the bill provides, retroactively, compensation due State Employment Service employees who were required to work beyond the normal work week established for State employees, and for which they would have been compensated had they not been transferred temporarily during the War to Government service.

Congress, by riders on appropriation bills, required that salaries of Employment Service employees on loan to the Federal Government be tied to the salary scale of the State in which the employees worked. These salaries were far below salaries paid Government employees for comparable positions.

Such employees were required to work longer hours along side of other State employees who worked for the same salaries, but were compensated for time worked beyond the normal work week established for such State employees. In other words, these employees received a reduction of wages which, in our opinion, was not intended by Congress.

Hearings were held by the House Civil Service Committee but no further action was taken.

We firmly believe that this travesty of justice should be given immediate consideration by Congress.

EUROPEAN RECOVERY PROGRAM

S. 2202—To promote the general welfare, national interest, and foreign policy of the United States through necessary economic and financial assistance to foreign countries which undertake to cooperate with each other in the establishment and maintenance of economic conditions essential to a peaceful and prosperous world. Passed April 2, 1948. Approved April 3, 1948. (Public Law No. 472.)

The law provides for the participation of the United States in a European Recovery Program for approximately a four-year period. It is a major step in the development and promotion of a peaceful and prosperous world, which is the principal objective of the United States' foreign policy.

The authorization for the first year is \$5.3 billion, \$1 billion of which may be advanced by the Reconstruction Finance Corporation pending Congressional action on appropriations.

The assistance contemplated, which will involve both loans and grants, will not be confined to relief commodities; the program is designed to help European nations to help themselves to recovery in such a way as to become independent of outside assistance. A new agency, the Economic Cooperation Administration, headed by an administrator, has been established to administer the program at home and abroad.

The law contains ample safeguards in order to insure that the money appropriated will be properly administered, wisely spent and that the domestic economy of the United States be not impaired. It provides that the assistance extended by the United States will be contingent upon the continuous cooperation of the participating countries.

The San Francisco Convention of the American Federation of Labor endorsed without dissent the principles of the Marshall Plan and the European Recovery Program of the sixteen nations, and declared that economic rehabilitation of Europe is in the interest of all wage earners. Economic difficulties in one country affect the economies of all other countries trading in the world market.

We have been strengthened in our decision by the record of Nazi-Soviet Relations, 1939-41, recently published by the State Department. The Communist Party has, as one of its objectives, the imposition of a totalitarian philosophy and revolutionary tactics upon other peoples. These official documents, in addition to Canadian spy revelations, provide evidence of what is under way in many countries. They plan to substitute the totalitarian police state with its one-party system for free enterprise and democratic institutions.

Soviet opposition to the Marshall proposal and to the European Recovery Program which developed as a result of the proposal, clearly reveals its rule or ruin policy. Europe, able to supply its own needs, would not then barter freedom for food and fuel, but would probably maintain institutions of Western civilization. Because we want these countries, from which the founders of this Republic came, to have freedom to decide their own future, the American Federation of Labor wholeheartedly supported the principles of the European Recovery Program.

President Green appeared personally before both the House and the Senate Committees on Foreign Affairs and expressed the full support of the American Federation of Labor to the adoption of this program. He acted in the self-interest of American and European workers in order that we may have allies in this war to maintain the democratic way of life.

The enactment of the European Recovery Program is tremendously important. It gives hope to the democratic peoples of the world for a united free world. It may also serve as the basis for the beginning of a Western European Federation of Free Nations and such a Federation may, through its moral strength, become an all European Federation—the basis, in time, for one free world.

CIVIL RIGHTS

Since its inception, the American Federation of Labor has fostered the principle of equality of opportunity to all. Through the years of our growth, we have encountered many situations in which discrimination and intolerance were deeply embedded. The source of discrimination cannot always be easily ascertained or readily stamped out, but our record of many decades of direct experience in dealing with this issue has conclusively demonstrated that the most powerful single force behind discrimination against persons because of their color or creed is economic discrimination. This experience makes it absolutely clear that to assure healthy economic growth of the nation, to safeguard and sustain the general welfare of the people of America, it is the duty of our legislative branch of Government to uphold the principles of equal opportunity for all, a principle to which this Nation is dedicated.

During the first and second sessions of the 80th Congress many proposals were introduced relating to this subject. Those bills of interest to Labor, on which some action was taken, are as follows:

Anti-Lynching

H. R. 5673—To provide for the better assurance of the protection of citizens of the United States and other persons within the several States from mob violence and lynching.

The House Judiciary Committee reported the bill out favorably on March 23, 1948. However, it died in the Rules Committee and no further action was taken by the House or the Senate.

Anti-Poll Tax

H. R. 29—Making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers. Passed the House under a suspension of the Rules on July 21, 1947. Reported out of the Senate Rules and Administration Committee on April 30, 1948. No final action was taken by the Senate.

Fair Employment Practice

S. 984—To prohibit discrimination in employment because of race, religion, color, national origin, or ancestry. Reported out favorably by the Senate Labor and Public Welfare Committee on February 26, 1948, but no further action was taken in either the Senate or the House.

In the President's message to the last special session of Congress, these proposals were mentioned as measures which should be given immediate consideration. When the Senate convened they immediately placed on the agenda H. R. 29, the Anti-Poll Tax bill. However, passage was blocked by a group of southern Senators by a filibuster, which lasted five days. It is interesting to note that no effort was made to insist upon a cloture vote to stop the filibuster. As a result, no further action was taken on any of these proposals.

We testified before the Committees in support of the principle involved in these legislative measures, and recommend that continued efforts be made in the next session of Congress to aid in the advancement of these objectives.

FEDERAL AID TO EDUCATION

For a number of years the American Federation of Labor has been working steadily and constantly to improve and to increase educational opportunities, both for children and for adults. Despite the magnificent effort of many of the States in school support and a significant rise in their appropriations, schools are in a worse plight than they were before the last war.

Vast numbers of our American children are receiving a substandard education, or no education at all. In the present school year, at least 2 million school children are suffering a major impairment in their schooling because of poorly prepared teachers. One teacher in eight in public elementary and secondary education is serving on an emergency or substandard certificate. Because no qualified teachers could be found, thousands of children have been closed out of schools or classes; other thousands are attending part-time schools and in overcrowded classes. More than a million school children are in schools in which annual cur-

rent expenditures of all types, such as administrative expenses, teachers' salaries, teachers' supplies, transportation, health service, and operation and maintenance of school buildings are less than \$500 per classroom.

According to the United States Census estimates for the year 1945, more than 4 million children between the years of 5 and 17 inclusive attend no school whatsoever.

In order to provide that equality of opportunity, which is the ideal of America, our efforts to eliminate discrimination must begin with education. Inequalities in educational opportunities grow into bridgeless chasms between individuals as the years go by. We have not yet rid ourselves of illiteracy or provided for all children the quality of teaching that would enable them to develop their full capacities to deal constructively with the problems of living.

One of the fundamental principles upon which our democracy rests is local self-rule. This basic principle will remain effective only through local control of education. In order to preserve this local control and also provide equal educational opportunities for all citizens, the Federal Government should supplement local appropriations. We believe that not only should there be equal educational opportunities available to all in every part of the country, but effective opportunity for every child to avail himself of the opportunity.

To achieve this purpose, we have advocated Federal appropriations to aid State systems and to equalize opportunities for all, irrespective of the income of the family to which the children belong, their place of residence, their religion or their race.

We believe that the Government should take part in the education of the people and without interference with the rights of the States.

Several bills concerning this subject were introduced in the 80th Congress. After extensive hearings were held the Senate Committee on Labor and Public Welfare reported out S. 472. This bill contained three sound principles:

1. The preservation of State and local control.
2. The principle of equal opportunity.
3. The maintenance of reasonable levels of State and local effort.

The purpose of the bill was to assist the States in equalizing educational opportunity through Federal allotment of not less than \$5 per child of school age to any State, and sufficient additional amounts to those States which, after making reasonable effort to supply support for schools, are still unable to produce an amount necessary to guarantee a minimum educational program. This minimum was defined as that kind of school that can be provided by an annual combined expenditure of not less than \$50 per pupil in average daily attendance. It provided for an annual appropriation of \$300 million beginning with the fiscal year ending June 30, 1949. The method by which the Federal funds were to be apportioned to the States was determined by an objective

formula, leaving no discretionary power to any Federal official or agency.

Non-public school children could in any State receive benefits under this bill to the extent that expenditures relating thereto met certain conditions, that is the expenditures must be current expenditures for elementary- and secondary-school purposes and they must be only for such objects of elementary- or secondary-school current expenditure as are legally and constitutionally objects of such expenditure from non-Federal educational funds in that State.

When this bill was on the floor in the Senate, three amendments were offered involving principles in which we are interested.

The Connally Amendment sought to prevent any Congress in the future from placing any restrictions on the appropriations for Federal aid. The principal limitation, which concerned the Senator from Texas, was, of course, a limitation which would affect segregation in the schools. The amendment was adopted.

Senator Donnell offered an amendment which would deny the use of Federal funds for services for children in non-public schools even if the States law in any given State permitted the use of funds for such purpose. The Donnell amendment was overwhelmingly defeated.

Senator Ives offered an amendment which provided that the Federal allotment for any State shall not be less than \$5 multiplied by the number of children in the State from 5 to 17 years of age, inclusive. The ultimate effect of the Ives proposal may be good for it would make the Federal Government responsible for a degree of support of the public schools rather than merely giving them aid. The immediate effect of the amendment, however, under an appropriation of only \$300 million for the whole country, would be to take from the poorer States a large sum of the money and give it to the richer States. This would not equalize educational opportunities. Furthermore, the giving of this sum to the richer States, condones the failure of the richer States to appropriate 2½ percent of the State's income to public educational purposes. The bill, as reported, penalized the States which did not appropriate 2½ percent of their income for educational purposes. The Ives Amendment was adopted.

The bill passed the Senate with amendments. However, it died in the House and was not even reported out of the Committee.

We feel satisfied with the progress that was made in the Senate and recommend that we redouble our efforts in the next session of Congress to obtain the enactment of this much needed legislation.

AMENDMENT TO THE NORRIS-LaGUARDIA ACT

H. R. 5274—To amend the Norris-LaGuardia Act with respect to the definition of the term "labor dispute."

This bill would amend the definition of a "labor dispute" contained

in subsection (c) of Section 13 of the Norris-LaGuardia Act by adding the following new language:

"but such term does not include any controversy concerning terms or conditions of employment fixing prices, controlling production, controlling channels of distribution, allocating markets, or otherwise limiting competition."

The effect of the enlargement is to narrow the present category of disputes in which labor injunctions cannot be obtained by excluding from the definition any controversy about a term or condition of employment which fixes prices, controls production, controls channels of distribution, allocates markets, or otherwise limits competition. Under the amendment, it would be possible to secure labor injunctions in the foregoing categories of cases. By narrowing the definition of "labor dispute" this amendment would therefore make many union activities, now protected by the Norris-LaGuardia Act, subject to the penalties of the Sherman Act.

Even a simple wage demand might, if granted have the effect of limiting competition, or controlling production, or fixing prices, and certainly, manning requirements, opposition to speed-up systems, and similar demands would have the effect of controlling production. As such, the amendment is objectionable in its entirety.

The bill died in committee.

FLAMMABLE FABRICS ACT

S. 353 (Companion Bill H. R. 1111)—The bills would prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics so highly flammable as to be dangerous when worn by individuals.

We supported the enactment of this legislation on the basis that accidents from burning are occurring at the rate of more than one per day in the United States because of the use of highly flammable materials for dresses, aprons, buttons, etc.

It is clear that Congress has a serious responsibility toward the public in passing necessary legislation to curb or prevent accidents which are avoidable.

Hearings were held by the House Interstate and Foreign Commerce Committee. The Senate took no action whatsoever. The bills died in Committee.

CONSTRUCTION WORKERS ON GUAM, WAKE ISLAND AND CAVITE, AND OTHERS

War Claims Act of 1948

H. R. 4044—Passed June 19, 1948. Approved July 3, 1948.

(Public Law No. 896)

This law amends the Trading With the Enemy Act, as amended, by creating a Commission to adjudicate war claims of civilian workmen,

employed by contractors engaged on projects for the United States in Pacific areas, captured by the Japanese, prisoners of war from our armed forces, captured by the Japanese, and other civilians interned by the Japanese in captured territory.

It provides a substantial increase in benefits for the injury, disability, death or enemy detention of employes of contractors of the United States, and full compensation, including bonuses, as provided for in their employment contract, for the entire period in which they were interned.

Under the previous laws, the 1,300 construction workers who were interned received a meager amount for each week of their 3½ to 4 years of imprisonment. They now will receive a large additional amount for each month of internment. The law also provides for lifetime permanent total disability benefits, instead of a maximum of \$7,500 provided for by previous law. This will give these workers, most of whom are members of the American Federation of Labor, several million dollars in additional benefits.

When the bill passed the House, it did not cover construction workers on Guam, Wake Island and Cavite or prisoners of war. However, the American Federation of Labor proposed such amendments to the bill, which were enacted by the Senate. The House accepted the Senate amendments and the bill was enacted extending coverage to the construction workers on Guam, Wake Island and Cavite, prisoners of war and civilian internees of the Philippines.

The prisoners of war will receive, under this bill, an additional \$1 per day for the period of their internment. This is in accordance with the Geneva Convention governing prisoners of war, which specifies \$1 a day as compensation to internees if adequate food is not provided.

Although the enactment of this legislation is generally considered a triumph of justice, it is merely meeting a contract obligation and will not, of course, compensate for the 3½ to 4 years of suffering and hardships endured by these internees during their imprisonment.

COMPACT ON REGIONAL EDUCATION ENTERED INTO BETWEEN THE SOUTHERN STATES

H. J. Res. 334, S. J. Res. 191—Giving the consent of Congress to the compact on regional education entered into between the Southern States at Tallahassee, Florida, on February 8, 1948.

This proposal would give Federal sanction to the compact entered into by the Governors of the Southern States. The compact would relieve States of their responsibility to provide equal educational opportunity for all its citizens.

Representatives of the American Federation of Labor strongly opposed the enactment of this legislation in its testimony before a Joint Committee of Congress. We believe that our ideals and institutions require that every individual should have equal educational opportunity, and to imple-

ment this right we have consistently sought to extend, improve and enrich educational provisions available in tax-supported institutions, free alike to all children, irrespective of creed, race or nationality.

It is more economical, as well as sounder policy, for each State to accept its responsibility as developed under our Constitution and affirmed by the U. S. Supreme Court and plan to equalize educational opportunities for all.

H. J. Res. 334 was passed by the House on May 4, 1948, but the Senate recommitted it by a vote of 38 to 37, thus killing the proposal.

FOOD CONSERVATION PROGRAM

In 1947 the year's harvest had been very poor in many parts of the world. All through western Europe cold, flood and drought had sharply reduced grain production. The result was that in the following winter these countries would have to cut their rations below the danger point unless they received more help, in the form of larger grain shipments, from the United States and other exporting countries.

It was extremely important to the United States that any serious reduction in the rations of hungry people be prevented. Apart from humanitarian considerations, if rations were significantly cut during the winter months, economic rehabilitation would have come to a stop. This, in turn, would increase the degree and duration of dependence by other nations on special assistance from the United States. Most important, if we turned our backs upon these people they would turn from hunger to despair and from despair to chaos in areas where stability is essential to the people and economic security of the world.

On September 22, 1947, the Cabinet Committee on World Food Programs submitted a report to the President, which emphasized the critical situation calling for immediate action by every American. The report stressed the extremely grave food situation abroad and the relationship between the ability to help meet urgent foreign food needs and the price situation in the United States.

The report showed 470 million bushels of grain available for shipment in 1947 from the United States on the basis of the best estimates on hand. At the same time, there was strong evidence that we would have to export at least 100 million bushels more than this, if we were to do our share in meeting the absolute minimum needs of the distressed people in other countries.

The Committee made it clear, however, that definite steps to conserve the use of foodstuffs at home and reduce the feeding of grain to livestock would be necessary if we were to make our fullest contribution toward meeting minimum foreign needs and, at the same time, relieve the upward pressure on prices at home.

As a primary step to meet this problem, the President immediately appointed a Citizen's Food Committee to advise on ways and means of

carrying out the necessary conservation effort. The Committee was composed of leaders from every walk of American life. President Green served on this non-partisan Committee, of which Charles Luckman, of Cambridge, Massachusetts, was Chairman. The President requested that the Committee meet at the earliest possible moment to develop plans for bringing the vital problem of food conservation to the attention of every American for action.

Citizen's Food Committee

The Citizen's Food Committee met for the first time on October 1, 1947. The comprehensive information regarding needs in European countries, which was placed at the Committee's disposal, was frightening. The people of key countries of Western Europe faced a winter of want and hunger and were perilously close to desperation. The effect of hunger and economic chaos abroad was so grave that it was almost impossible for the average American to visualize.

The immediate problem before the Committee was to conserve and export enough food to tide these countries over the crucial winter months which were so close at hand. Since grain is the most nourishing, the most economical, and the least perishable foodstuff, of necessity the initial efforts were concentrated on this area of supply. In order to export more grain, it would be necessary to conserve more grain. This, in turn, meant that we must use less grain in this country, particularly in those places where consumption was greatest.

The objective of the Committee was to adopt conservation measures that would make immediately available 100 million extra bushels of grain to feed the hungry people of Europe in the coming winter months. This required the voluntary cooperation of our people in three groups:

1. Grain-consuming industries.
2. The farmers who feed grain to livestock and poultry.
3. The 140 million American people who could, by voluntary action, conserve grain in many ways.

The job of the Committee was to enlist the aid of those who should support the program—consumers, retailers, food distributors and processors, and farmers; also, to develop the best ways of informing the public on what steps Americans, as individuals and groups, could take.

There was plenty of food to go around. However, the problem before the Committee was to devise a simple program which would bring a better sharing of the existing foods and, at the same time, prevent increases in prices here at home. The slogan was "Buy wisely, eat simply, prevent waste."

To accelerate the work of the Committee, advisory subcommittees were set up to coordinate with each group. These committees devised a unified program to bring together the full cooperation of all groups.

Every channel of communication was employed by the committees to state their plans and objectives to the American people. Through the cooperation of the radio, press, and the motion-picture industries, the American public became fully informed of the Food Conservation Program and quickly responded to the call of our Government to meet this crisis.

As a result, on December 18, 1947, Mr. Luckman reported to the President that the work of his Committee had been completed and that a saving of grain of between 90 and 120 million bushels had been effected. In the report, Mr. Luckman stated, "The loyal support extended by Labor to the President's food-conservation program has been a source of inspiration and encouragement to the Committee. Labor was quick to respond to this move on the part of our Government to forestall the ravages of hunger in Europe this winter." Thus, through the cooperation of the American public, the country had, therefore, secured the extra 100 million bushels needed to meet the estimated needs of Western European countries.

However, in the grain-consuming industries the distillers and the industrial-alcohol plants were shut down for a 60-day period ending December 24, 1947. In connection with the shut-down, thousands of workers were adversely affected. This action was taken unilaterally by the employers without consultation with the unions representing the workers. The American Federation of Labor and the unions directly affected vigorously protested this drastic action on the basis that it would cause mass unemployment and abrogate many collective bargaining agreements then in effect.

In support of our willingness to extend full support and cooperation to this program, we proposed a partial curtailment of operations in this industry which would, in effect, amount to the same saving of grain, but be stretched over a longer period in order to alleviate the unemployment situation which would be caused by the 60-day shut-down.

Notwithstanding the fact that other grain-consuming industries were working on an agreement to partially curtail their production in order to prevent mass unemployment, the distillers and industrial-alcohol plants remained closed for 60 days, causing undue hardship and misery to thousands of workers in the industry.

During the 60-day shut-down the Secretary of Agriculture endeavored to work out an agreement among the distillers for the allocation of grain in the industry after the plants reopened. He proposed an allocation of 2½ million bushels per month based upon a formula which was unacceptable to the distillers. Failing to get the distillers to agree on a specific formula, the Secretary appealed to Congress for the enactment of legislation to limit the uses of grain for the production of distilled spirits or neutral spirits for beverage purposes.

Allocation of Grain

On December 19, 1947, Congress passed S. J. Res. 167. The purposes of this joint resolution were to aid in stabilizing the economy of the United States, to aid in curbing inflationary tendencies, to promote the orderly and equitable distribution of goods and facilities, and to aid in preventing maldistribution of goods and facilities which basically affect the cost of living or industrial production.

In order to carry out the purposes declared in the joint resolution, the President was authorized to consult with representatives of industry, business, and agriculture, with a view to encouraging the making, by persons engaged in industry, business, and agriculture, of voluntary agreements approved by the President.

On the basis that a voluntary agreement was unable to be reached among the distillers, the resolution further provided that the President be authorized to limit the uses of grain for the production of distilled spirits or neutral spirits for beverage purposes until January 31, 1948. The resolution was approved by the President on December 30, 1947—Public Law No. 395.

The President immediately allocated the uses of grain for the production of distilled spirits or neutral spirits for beverage purposes to 2½ million bushels per month, based upon the formula giving two-thirds on historic use and one-third on plant capacity. This formula was unacceptable to a majority of the distillers and many small plants were required to shut down.

In the second session of Congress, several bills and resolutions were introduced relating to this subject. While some of the bills and resolutions were designed to change the formula then being used in the allocation of grain, there were others which would prohibit entirely any uses of grain in this industry until a sufficient supply was on hand.

After hearings were held by both Houses of Congress, the Senate, on February 26, 1948, passed S. J. Res. 186, to authorize allocation and inventory control of grain until October 31, 1948, for the production of ethyl alcohol, to conserve grain in aid of the national defense, and in furtherance of stabilization of the national economy. This bill met most of the objections advanced by the American Federation of Labor and was in line with our proposal before the 60-day shut-down. However, the House failed to take any action on the basis that a prospective bumper crop of grain for 1948 was almost a certainty, which, in effect, eliminated any further need of controls.

DISTRICT OF COLUMBIA

Optometry

H. R. 6087, an act to regulate the practice of optometry in the District of Columbia, which we supported in several Congresses, passed the House and was reported favorably to the Senate, but we regret to

state that it failed of passage in the final rush and, therefore, did not become law.

Nurseries

We supported this proposal to continue on a permanent basis the system of nurseries and nursery schools for day care of school-age and under school-age children in the District of Columbia. It passed the Congress and was approved by the President on June 19, 1948 (Public Law 711—80th Congress).

Increase of Salaries for Metropolitan Police

H. R. 5047 provided for an increase in salary of Metropolitan Police, United States Park Police, White House Police and members of the Fire Department. As originally introduced, the bill provided for an annual increase of \$800 but in Committee it was amended to provide for \$500. The bill passed the House on June 8, 1948, and was reported in the Senate on June 15, but due to a controversy over a sales tax for the District of Columbia, it failed of passage. After the passage of the bill had been blocked on August 2, Senators Johnston, South Carolina, Pepper and Morse introduced a bill, S. 2920, providing for a salary increase for the above-mentioned police of \$330 per annum and at the rate of \$500 per annum for District of Columbia school teachers, and for all other employes of the District of Columbia at the rate of \$330 per annum. It also provided for a loan of \$5,800,000 out of the United States Treasury to finance the increases. Senator Cain also blocked passage of this bill, as he had the previous one, because his sales tax bill for the District of Columbia had failed of passage.

School Teachers

S. 2850 (H. R. 6874) provides a slight adjustment in the salary schedules of District of Columbia school teachers and corrected an oversight in the 1947 District of Columbia salary act by making it applicable to all Federal employes of the Board of Education whose salaries are fixed under said act. The Senate passed S. 2850 on June 18, and the companion bill, H. R. 6874, passed the House of Representatives on June 14, but neither became law.

S. 2851 (H. R. 6878) provided a temporary increase for the fiscal year 1948 at the rate of \$200 per annum and made some other adjustments in school salaries. H. R. 6878 passed the House on June 14, but failed of passage in the Senate.

Senator Cain and Congressman Bates of Massachusetts held hearings on the teachers bills and ruled that even though all Federal employes would be given a cost of living bonus from \$300 to \$600 per annum, that teachers should not get more than \$200. In addition, Senator Cain tied in the increase of all salaries for cost of living bonus for all

District of Columbia employees, including teachers, with the sales tax and when Senator Johnston of South Carolina announced he would fight a sales tax until kingdom come, Senator Cain persisted in his objection to salary increases and as a result none were made.

Senator McCarran introduced a bill, S. 2026, providing for \$1,000 cost-of-living bonus for teachers and also a bill, S. 2486, designed to eradicate inequities imposed on the teachers by legislative action in 1947 by the Congress, but neither became law.

Sales Tax

H. R. 6759, sponsored by Senator Cain, provided for a sales tax of 1 per cent in the District of Columbia. Its passage was prevented by Senators Johnston, South Carolina, and Sparkman of Alabama. We are opposed to this bill in accordance with our general policy and because we feel that the passage of a sales tax by the Congress of the United States for the District of Columbia will be used as a precedent for the infliction of a national sales tax. (See National Sales Tax.) The real-estate tax on the assessed value of property in the District of Columbia is \$2 per hundred, which is low. Senator Cain is insistent on the District of Columbia sales tax. When the Housing bill was under consideration in the Senate, he sponsored proposals advocated by the real-estate interests, and it is believed he advocates the sales tax for the District of Columbia in order to prevent an increase in real-estate taxes.

Barbers

We took a leading part in securing the enactment into law of H. R. 4368—Public Law 800—80th Congress, at the request of the local Barbers and the Board of Examiners. This Act amends the Act of June 7, 1938, which regulates barbers in the District of Columbia by increasing the fees and charges for the examination, renewal of certificates and registration of barbers by the Board. It was necessary for these fees to be increased in order that the receipts of the Board could cover the salaries of the Board members and its employees.

TAFT-HARTLEY ACT

The Joint Committee appointed from among the members of the House and Senate Committees who drafted, reported and passed the Taft-Hartley Act, which was set up under Title V of the Act, held numerous hearings particularly on the House side. Investigations were made of strikes, the purpose being, apparently, to harry labor organizations and create an anti-labor sentiment which would lay the groundwork for the enactment of further restrictive labor legislation. As Senator Joseph H. Ball is the Chairman of this Committee and Fred A. Hartley Vice Chairman, this was to be expected as those who sponsored the Act are investi-

gating and reporting on the way it is working out and they could hardly be expected to be critical of their own child.

NATIONAL SALES TAX

Early in the final session of the 80th Congress we were advised that a national sales tax would probably be proposed during 1948. The District of Columbia sales tax was to be the spearhead of the attack as those sponsoring such taxes realized that if the Congress inflicted such a tax in the District of Columbia, it would hasten the application of such a tax nationally as Congress legislates for the District of Columbia. This is a reversion to a practice in vogue over a quarter of a century ago when attempts to pass local sales taxes predicated salary increases for firemen, school teachers and other state and municipal employees on passage of a sales tax.

The 1934 Convention unanimously adopted the following in this regard:

"* * * It also calls attention to the sales tax, the most iniquitous of all taxes, and stated that Labor is seeking a more just source of revenue for the schools. Your committee concurs in this portion of the Council's report and recommends taxes based on ability to pay, i.e., inheritance and income taxes levied and collected by the Federal Government with the elimination of tax exemptions, teachers, public employees and all others, as the most appropriate way to finance education."

After World War I, attempts were made to finance the soldiers' bonus with a national sales tax. In 1921, after a long publicity campaign, bills were introduced in Congress to repeal the excess profits tax and establish a sales tax. The true meaning of this shift in the method of taxation was that it proposed to take approximately \$1,000,000,000 of the tax load from those able to bear the load and put it on the backs of the masses of our people. This, during years when millions were unemployed, with 60,000,000 now employed our stake in the matter is much greater.

In 1922 the campaign continued in order to relieve the well-to-do from excess profit tax and surtaxes, also corporation taxes, and to make up the loss through the sales tax. Excess profits taxes were repealed and surtaxes were reduced from 65 per cent to 50 per cent, and Senator Smoot publicly declared, "While the manufacturers' or sales tax is not embodied in the revenue laws of our country at this session of Congress, it will be in the very near future, just as sure as God lives."

The fight led by the American Federation of Labor against the sales tax continued for several years, and it was not enacted.

Senator Cain, who sponsors proposals favorable to the real-estate interests, is leading the fight for the sales tax in the District of Columbia and has publicly stated that he would push for enactment of the tax when the 81st Congress convenes in January.

Numerous bills providing for a sales tax in the District of Columbia

were introduced in the present session of Congress, as is reported in more detail under the heading "District of Columbia"; and, as earlier stated, if this tax is inflicted in the District, by the Congress, it can and will be used as a precedent for the infliction of a national sales tax.

It is recommended that we continue our policy of opposing such a tax with all our might.

UNIVERSAL MILITARY TRAINING AND THE DRAFT

We reported on this subject at the last Convention to the effect that several bills had been introduced on the subject of Universal Military Training and that the House had held hearings for weeks and finally reported a bill, H. R. 4278, which did not receive further action.

We also reported that the Committee on Expenditures in the Executive Departments submitted a report to the House showing that the War Department was using Government funds in an improper manner for propaganda activities supporting compulsory military training.

Last March President Green presented our viewpoint to the Senate Committee on Armed Services and opposed peacetime conscription stating: "We do not believe that peacetime conscription is consistent with the American way of life, nor do we believe that it should be accepted as a permanent part of our national policy." "Rather," he stated, "the American Federation of Labor would favor the application of selective service on a limited and temporary basis solely because of the present emergency with which we are confronted. We would favor authorization of selective service only as a means of enabling the American Government to make effective its work for an enduring peace and effective prevention of military aggression from any source. If we are to support our commitments abroad and if our foreign-policy decisions are to carry any weight, it is paramount that we maintain our armed forces at authorized strength."

The Congress did not enact any legislation providing for universal military training but did enact the Selective Service Act of 1948 (Public No. 759—80th Congress), which was approved by the President on June 24, 1948 and which provides for a limited draft. As originally introduced, the bill contained a super-seniority clause guaranteeing reemployment rights to those drafted under it, not only reinstating draftees to their old jobs with rights unimpaired, but giving them the added privilege of "bumping" veterans of World War II as well as other workers even though these draftees had less seniority.

- This clause would have wrecked seniority rights on railroads and in industries. We stood firmly with the railroad brotherhoods in opposing this clause and it was stricken from the bill when it was under consideration on the floor of the House.

We recommend that our opposition to universal military training be continued.

FEDERAL EMPLOYERS' LIABILITY ACT

The Employers' Liability Act as originally enacted in 1908, left the venue of actions under it to the general venue statute, which fixed the venue of suits in the United States courts, based in whole or in part upon the Act, in Districts of which the defendant was an inhabitant. Litigation promptly disclosed that the defendant railroads were considered by the courts of that day to be "inhabitants" only in a state of their incorporation. Congress believed this statutory limitation of the right of railroad employes to bring personal-injury actions to be too restricted, with the result that the present language of the Employers' Liability Act was added. The employes may now sue the residence of the carrier, the place where it is doing business, or the place where the cause of action arose.

In June, 1946, the Bar Association of Knoxville, Tennessee, passed a resolution in favor of certain amendments to the Employers' Liability Act which would limit the venue of suits in the United States courts. It was contended that certain unethical attorneys were using flagrant practices of solicitation of cases in that community under the present Act. Subsequently, the Tennessee Bar Association passed similar resolutions. These resolutions led to the introduction of H. R. 1639 in the 80th Congress. H. R. 1639—To provide the venue in actions brought in United States District Court or in state courts against interstate common carriers by railroad for damages for wrongful death or personal injuries. The bill would restrict the institution of suits against railroads and limit them to the home of the complainant or the scene of the accident. It would restrict state courts in the administration of justice, deprive them of their prerogative to require change of venue of law suits where necessary, and transcend the provisions of state laws governing the jurisdiction of state courts.

The proposals contained in this bill would work to the potential detriment of two million railroad employes by unreasonably limiting the places where they or their legal representatives could bring their causes of actions against railroads. This would be patent discrimination.

We believe that the basic responsibility for policing the legal profession rests with the legal profession itself and with the courts, of which such lawyers are officers. Therefore, we see no basic reason why an employe of a railroad filing a suit against his employer should not be entitled to the same privileges of venue as an employe of any other corporation. There is no basis for distinction.

We joined with the railroad brotherhoods in vigorously opposing the enactment of this legislation and testified in opposition to it. The bill passed the House but failed to reach the floor of the Senate and died in the Committee.

UNITED STATES EMPLOYEES' COMPENSATION ACT

This Act was originally enacted on September 7, 1916. Since that time it has been amended on several occasions; however, there has been no change made in the rate of compensation for injury since 1927.

Under the existing law, a Government employe injured in line of duty receives two-thirds of his pay, or a maximum of \$116.66, while he is off duty, because of injury sustained as an employe of the Federal Government. A payment of \$116.66 today does not represent two-thirds of pay because since that time Government employes have received a substantial increase in rates of pay. According to statistics from the Bureau of Employees' Compensation, 70 per cent of all of the cases handled by the Commission were receiving less than 66% per cent of his wage. It is evident that the present rates of compensation under the Act are entirely inadequate today.

In the 80th Congress two bills were introduced in the House to readjust the compensation rates of payment under the present Act, namely, H. R. 3239, introduced by Representative Keating and H. R. 4650, introduced by Representative Hartley.

The general purpose of these two bills was similar, but the bill introduced by Mr. Hartley was more inclusive. The subcommittee of the House Labor Committee held hearings for two days, during which seventeen witnesses appeared. All witnesses, without exception, urged the enactment of this legislation.

The American Federation of Labor joined with the Government Employees Council in supporting this legislation, and testified before the Committee in favor of its early enactment.

The Committee reported favorably, H. R. 3239 with amendments, which included most of the provisions of H. R. 4650.

The bill would establish:

- (1). New maximums and minimums by providing that the monthly compensation shall not be more than \$225, nor less than \$112.50, unless the employes' monthly pay is less than \$112.50.

Under the present law the maximum monthly compensation is \$116.66, and the minimum is \$58.33.

- (2). A scheduled payment of benefits in case of "a disability partial in character but permanent in quality" which results in the loss or use of a member or function.

Under the present law the employe is paid only for actual time-off compensation.

- (3). Increases the cash payment for funeral and burial expenses from \$200 to \$400.
- (4). Increases the benefits to widows and children from 35 percent to 50 percent.

It also provided for many other improved benefits in line with State Workmen's Laws.

Despite the merits of this proposed legislation, which is long overdue, the bill failed to reach the floor of the House and no further action was taken by the 80th Congress.

We recommend that continued efforts be made in the Eighty-first Congress to advance the enactment of this much-needed legislation.

FEDERAL RECLAMATION LAWS (LAND-LIMITATIONS)

The issue of applying the excess land limitation laws in the states of California, Colorado and Texas has been actively before Congress for several years. It is contended that the Bureau of Reclamation has been unable to work out this problem or to apply the limitation with respect to three major projects, namely, San Luis Valley project, Colorado; the Valley Gravity Canal project, Texas; and the Central Valley projects in California.

During the 80th Congress extensive hearings were held on S. 912 (H. R. 2052) relating to this subject.

S. 912 (H. R. 2052)—Exempting certain projects from the land-limitation provisions of the Federal reclamation laws and repealing all inconsistent provisions of prior Acts.

This proposal would lift the restrictions now placed upon distribution of water to private lands beyond 160 acres. The land-limitation provisions would not apply to any private lands, to the delivery of project water supply to private lands, or to any contract relating to project water supply for private lands, susceptible of irrigation with any water supplied from or made available by any of the three water projects mentioned above. It was provided that no benefit of the Federal reclamation laws shall ever be denied because of size of any holding of private lands within or served by any of the subject projects.

The American Federation of Labor joined with the State Federations of Labor of California, Colorado, and Texas, in opposition to the enactment of this legislation. We believe that if this proposal was enacted it would encourage private ownership of large tracts of usable land which we feel would deny opportunity to the individual citizen and be destructive to the areas affected.

We were successful in blocking action on these bills in the Committee.

UN-AMERICAN ACTIVITIES

The standing committee on Un-American Activities has been especially active the past year and has continued its activities since the adjournment of Congress. Many contend that this activity is for political purposes, but nevertheless they are naming names of Communists, some of whom have been Government workers.

We have supported all Committees which have been appointed in the House for investigation of Un-American activities, as we support the

general purposes for which the Committees were created and in accordance with past Convention actions, will continue to do so.

President Green testified on several occasions before the Committee in opposition to bills drafted with the idea in mind of outlawing the Communist Party. One of them in particular was the Mundt Bill. We opposed such bills, not because we have the slightest sympathy with Communists or "fellow travelers," but because we feel that the enactment of legislation outlawing the Communist Party might be misapplied and might set examples which would be harmful to all.

The bills, H. R. 1884, H. R. 2122 and the Mundt Bill, H. R. 5852, all failed of passage.

LAWYERS' BILL—H. R. 2657

For several years this type of legislation has been proposed by the Bar Association. This bill is commonly referred to as the "Lawyers' Bill," and its proponents maintain it is designed to protect the public with respect to practitioners before administrative agencies and that it would not interfere with labor organizations. However, it sets up a credentials committee and in Section 4 states, "No person shall practice, hold himself out as a practitioner, or in any other manner assume so to practice before any agency without credentials except as authorized under this Act * * *."

The same section provides that practice as attorneys under the Act shall be governed by the standards of professional conduct generally applicable to members of the bar of courts.

We feel, therefore, that the implications of this bill are such that it would prevent representatives of labor from appearing on their legitimate business in behalf of labor organizations or their members before Government agencies. Mr. Gwynne of Iowa, who was defeated in the Primaries, introduced this bill and, while hearings were held on the bill, no further action upon it was taken.

OLEOMARGARINE

Since the first application of the tax on oleomargarine, the American Federation of Labor has opposed it because it takes the place of butter in many households where the income is low. During the present period of extremely high prices, this product has been in use by families in higher income groups. H. R. 2245 repealing this tax was forced out of the House on April 28, 1948. Hearings were held in the Senate, where we again testified, and the bill was reported favorably to the Senate on June 1, 1948. However, in the closing days of the session, the dairy interests with their powerful lobbying, aided by the jam of legislation in the closing days of the session, prevented its passage by the Senate. Up until the last hours of the Congress we were very optimistic in regard to the repeal of this tax and, in failing to do so, we were greatly disappointed. However, we shall continue our opposition to this obnoxious tax.

RECIPROCAL TRADE AGREEMENTS

H. R. 6055 became law June 26, 1944. It extends the Trade Agreements Act for one year instead of the three requested by the President. Attempts were made in the Congress, after the President's request had failed, to extend the agreement for two years and for one year, but all these attempts failed and the bill was finally passed with changes which the President considered "serious defects" and with new complicated, time-consuming and unnecessary procedures. We supported the President's original proposal but without avail.

SHIP SUBSIDIES

A few days before the Congress adjourned on June 19, we made every effort, at the request of our Maritime organizations, to secure action on House Joint Resolutions 412 and 413. These resolutions provided a subsidy for the American Merchant Marine and, of course, meant employment in shipyards for other affiliated organizations. We were instrumental in securing a favorable report on these bills from the House Committee and their passage under suspension of the rules on June 14, but we were not so successful in the Senate, as the Subcommittee of the Interstate Commerce Committee had formally agreed not to take up either of these resolutions. Our information was that there was tremendous opposition from the railroads and some Senators were puzzled by the resolutions which merely subsidized shipping. Some apparently were fearful that approval of subsidies in these instances would cause other carriers, such as railroads, bus lines and planes to use it as a precedent for similar requests. At any rate, the resolutions did not pass the Senate, and we will renew our efforts to secure action on similar resolutions in the Eighty-first Congress.

LEASING OF SALMON TRAP SITES IN ALASKAN COASTAL WATERS

S. 1446 and H. R. 3859

These bills were advocated by and proposed in the interest of the big fishing companies and were opposed by the workers of Alaska through our Alaska Territorial Federation of Labor. We cooperated in every way with the Alaskan Representatives and testified against these bills. Some of the members of our organizations in Alaska are encountering difficulty with the large fishing interests and the large lumber companies, the latter endeavoring to take over lands belonging to the Indians, many of whom are members of our organizations. We shall continue to aid our people in Alaska in regard to such matters.

THE NATIONAL SCIENCE FOUNDATION

The American Federation of Labor is convinced that the key to progress in many phases of our civilization is in sustained progress in the

sciences. We, as workers, repeatedly take part in technical changes due to new application of scientific information, new machinery, new tools, new processes, and new materials. We further know that continuous technical progress and new uses of known facts and laws can be maintained only by extended research in the basic sciences.

We in the American Federation of Labor have faith in our national institutions, so we are confident our national leadership will help other nations to higher standards of living and constructive relationships with all. We believe that essential to our performance of the duties of world leadership is a constructive policy to assure progress in the sciences in order to have the knowledge necessary for national health, prosperity, and welfare. Such progress is essential also for national security.

For several years legislation has been introduced in Congress for the purpose of formulating a national program to promote the progress of science. In the second session of the 79th Congress the Senate passed S. 1850, a bill to establish a National Science Foundation for the Support of Basic Research. However, it failed to reach the floor of the House and died in the committee.

Several bills were introduced in the first session of the 80th Congress relating to this subject, namely, S. 526, H. R. 1830, H. R. 1815, H. R. 1834, H. R. 2027, and H. R. 4102, all of which were similar in terms to the bills considered by the 79th Congress.

The purpose of these bills was to establish a new and independent agency for the advancement of scientific research and scientific education, this executive agency to be cited as the National Science Foundation.

The Foundation would be authorized to form and to encourage the pursuit of, and an over-all national policy for, scientific research and scientific education. Most of the Foundation's functions would be of types not performed by any other existing Government agency. It was the intent that the Foundation would to the extent feasible encourage Governmental and private research agencies and educational institutions to adopt and further programs which would not conflict with each other and which would lie in the most fruitful fields.

The Foundation's primary concern was to make available to the public the results of its findings to the maximum extent consistent with national security. Accordingly, the Foundation would be authorized not only to make generally available to scientists and others the results achieved by its research program but also to foster the general interchange of scientific information among scientists in the United States and abroad.

One of the Foundation's most important functions would be to initiate and support basic research in various sciences and, also, applied as well as basic research on matters related to the national defense. Another purpose of the Foundation was to assure the nation of an adequate body

of well-trained scientists by awarding to our most able men and women scholarships and graduate fellowships in science.

Extensive hearings were held by both the House and Senate Committees at which the American Federation of Labor testified in support of the enactment of such legislation. We urged early and favorable action with the recommendation that an insertion be made to include social sciences.

After passing several complex amendments to the proposal, the Senate finally enacted S. 526, as amended, on May 20, 1947. It was passed by the House on July 17, 1947, with additional amendments and was sent to Conference. The Conferees agreed and, on July 22, 1947, the Senate and the House adopted the Conference Report. However, the bill failed to become law because of a pocket veto by the President.

Under S. 526, as amended, the powers of the proposed Foundation would be vested in 24 members, appointed by the President, by and with the advice and consent of the Senate. These members would be part-time officials, required to meet only once each year. This group would, in turn, select biennially from among its 24 members an executive committee of 9 members and would exercise its powers through the executive committee. This 9-member executive committee would also be a part-time body required to meet only 6 times a year.

The Foundation would have a chief executive officer, known as the Director. He would be appointed by the 9-member executive committee unless the 24-member body itself chose to appoint him. The power and duties of the Director would be prescribed by the executive committee and exercised under its supervision. There would be within the Foundation a number of divisions, each exercising such duties and performing such functions as the Foundation prescribed. They would also be empowered to appoint commissions in various fields of research.

Full Governmental authority and responsibility would be placed in 24 part-time officers whom the President could not effectively hold responsible for proper administration; neither could the Director be held responsible by the President, for he would be the appointee of the Foundation and would be insulated from the President by two layers of part-time boards.

In the President's memorandum of disapproval he stated:

"I am withholding my approval of S. 526, the National Science Foundation Bill.

"I take this action with deep regret. On several occasions I have urged the Congress to enact legislation to establish a National Science Foundation. Our national security and welfare require that we give direct support to basic scientific research and take steps to increase the number of trained scientists. I had hoped earnestly that the Congress would enact a bill to establish a suitable agency to

stimulate and correlate the activities of the Government directed toward these ends.

"However, this bill contains provisions which represent such a marked departure from sound principles for the administration of public affairs that I cannot give it my approval. It would, in effect, vest the determination of vital national policies, the expenditure of large public funds, and the administration of important governmental functions in a group of individuals who would be essentially private citizens. The proposed National Science Foundation would be divorced from control by the people to an extent that implies a distinct lack of faith in democratic processes."

In the Second Session of the 80th Congress the proposal was again revived in the Senate Labor and Public Welfare Committee which reported out S. 2385. After considerable debate on the floor of the Senate it finally passed on May 5, 1948. However, it failed to reach the floor of the House and died in committee.

It is regrettable that such important legislation was permitted to be set aside in view of the urgent need for the promotion of basic research and education in the sciences at this time.

LIQUOR ADVERTISING

Several bills were introduced in the 80th Congress to prohibit the movement of newspapers and periodicals advertising intoxicating liquors in interstate commerce, namely S. 265, S. 2352, and S. 2365. These bills would amend the Federal Trade Commission Act to restrict the advertising of alcoholic beverages.

We believe that this proposal would represent an unwarranted interference with the distribution of a product that is recognized by federal law as a legitimate article of commerce among the states.

The American Federation of Labor joined with other national and international unions in opposition to the enactment of this legislation. It is our conviction that to deny the benefits of advertising to an industry that engages in the manufacture of a product that is wholly legal, when the advertising of other products is not similarly restricted, would be an act of discrimination that is not justified.

The bills died in committee.

PROMOTING THE CONSERVATION OF WILDLIFE

H. R. 2472—To provide expert assistance and to cooperate with federal, state, and other suitable agencies, in promoting the conservation of wildlife by promoting sound land-use practices.

The bill would authorize the Secretary of Interior to cooperate with appropriate officials of each state, or in his discretion with other suitable agencies, to advise the owners and custodians of lands or of waters

regarding methods to restore, rehabilitate and improve areas adaptable to feeding, resting, or breeding places for wildlife. It proposed to make available to states, upon request, special workers who are trained in this phase of the farm program on a cooperative basis providing that the amount expended by the Federal Government in cooperation with any state or other cooperating agency during any fiscal year shall not exceed 75 percent of the estimated cost thereof.

This appeared to be a worthwhile program which would go far to restore the balance in wildlife in America. We supported the bill but it died in committee.

BUSINESS LICENSES

H. R. 6106—To provide for issuance, without examination of licenses to engage in business.

This bill which passed the House of Representatives amends the Act of December 20, 1944, which requires a license to engage in certain businesses such as the installation of electrical apparatus, etc., so that a license would not be required. Employers and our Building Trades organizations engaged in such work were opposed to its passage for obvious reasons, among them being that faulty installation of electrical apparatus could cause fires. We opposed the passage of the Act in the Senate and were able to defeat it but no doubt its proponents will have it re-introduced in the 81st Congress where we will again oppose its enactment.

SOCIAL SECURITY

Approximately 123 bills and resolutions having to do with social security in one form or another were introduced in the 80th Congress. We did a considerable amount of work on a few of these bills which were actively considered. The following were enacted into law:

S. 1072—To extend until July 1, 1949, period during which income from agriculture, labor, and nursing services may be disregarded by states in making old age assistance payments without prejudicing their rights to grants in aid under the Social Security Act. Public Law No. 131.

H. R. 5052—To exclude certain vendors of newspapers or magazines from certain provisions of the Social Security Act and Internal Revenue Code. Public Law No. 492.

H. Res. 296—To maintain the status quo of certain employment taxes and social security benefits pending action by Congress on extended social security coverage. Public Law No. 642.

The Legislative Committee rendered such service as was requested by the Director of Social Security, but as he is reporting fully elsewhere in the Executive Council report on these measures, we will not detail them here.

STATE LABOR LEGISLATION

This year only ten state legislatures—Kentucky, Louisiana, Massachusetts, Mississippi, Missouri, New Jersey, New York, Rhode Island, South Carolina, and Virginia—met in regular session. Viewed from what happened in state legislatures in 1947, when thirty states passed vicious anti-labor legislation, the record this year is good. Although introduced in a number of states, not a single anti-labor law succeeded in passage. On the positive side of the picture, Louisiana took the lead in the program to repeal repressive state laws by repealing the law of 1946 which regulated union activity and permitted injunctions to be issued in specific labor disputes. This favorable record is the direct result of trade union activity in the state legislatures. In the coming year we will have more restrictive legislation unless we make a concerted drive now to repeal existing laws which strike at the fundamental right of Labor to organize and bargain collectively, and to prevent the passage of new anti-labor legislation.

If we need to be reminded of the importance of state legislation in industrial relations we have received ample evidence in a recent ruling of the National Labor Relations Board. This ruling holds that where there is a state law that bans the union shop the Board will not hold union shop elections. In other words, state laws that are more restrictive than the Taft-Hartley Act become the law of the land in the states in which they have been enacted. Therefore it is essential that we fight for the repeal of state anti-labor laws at the same time that we fight for the repeal of the Taft-Hartley Act.

When it comes to new legislation there is every reason to believe that the same forces which brought about anti-labor laws in thirty states in 1947 will be actively at work in 1949. The report of the Joint Congressional Committee on Labor-Management Relations—the “watch-dog committee”—points out what may happen. The Taft-Hartley Act permits the National Labor Relations Board to allow state agencies, under an agreement, to handle certain cases. However, to make such an agreement the state law must not be inconsistent with the federal law. Most of the state statutes are patterned after the Wagner Act and are not in conformity with the Taft-Hartley Act, therefore the Board has made no such agreements to date. The committee report holds out to the states as bait that they can have jurisdiction in these cases if they will pass little Taft-Hartley Acts. It is clear we may expect bills to be introduced to enact or to amend existing state laws in the pattern of the Taft-Hartley Act.

Not only must we be alert in the legislative sessions but we must also fight the anti-labor referendum measures that are before the voters in several states. Despite our efforts in North Dakota, the voters in an election on June 29 approved two laws passed by the legislature in

1947. One of them banned the closed shop; the other restricted Labor's rights by requiring a strike vote and by prohibiting boycotts. Four more proposals to prohibit the closed shop are to be acted upon by the voters this year—in Maine in September, in Massachusetts, New Mexico and Arizona at the November elections.

Workmen's Compensation

Year after year the Mississippi State Federation of Labor has worked hard to get the legislature to pass a workmen's compensation law. This year it was successful—and now every state has a law protecting workers who are injured in their place of employment. The Mississippi law is based on a draft bill prepared by the American Federation of Labor. Some important provisions were omitted; for example, occupational diseases are not covered. On the whole, however, the new law compares favorably with workmen's compensation acts of neighboring states. Benefits for disability are to be paid at the rate of 66⅔ percent of average weekly wages, with maximum payments of \$25 per week for a maximum period of 450 weeks. Benefits of at least \$7 per week are required to be paid in all cases.

The Mississippi Act includes, among the standards we recommended, compulsory coverage, but is limited to employers having 8 or more employees. It also provides for unlimited medical care, a second injury fund, and double compensation for minors illegally employed. The law is to be administered by a Workmen's Compensation Commission of 3 members. One member of the Commission is to represent Labor and one to represent Employers. The law is to become effective January 1, 1949. The Mississippi State Federation of Labor is to be congratulated for its success in this important field.

Legislation to improve and strengthen existing workmen's compensation laws was passed in Kentucky, Louisiana, Massachusetts, Missouri, New York, and Virginia. In all of these states, except Virginia, increased compensation is provided. The benefit provisions adopted in Louisiana and New York are the most significant. In Louisiana, they were increased from \$20 to \$30 a week; in New York, from \$28 to \$32 a week.

The constructive amendments to the Longshoremen's and Harbor Workers Act give added benefits to workers in private employment in the District of Columbia who are covered by this statute. This amended Act can well serve to stimulate improvements in all state laws.

In spite of the gradual increases provided in many states, the scale of workmen's compensation benefits in all states is still below a subsistence level. The small increases that have been made lag far behind the rise in wages and living costs. For instance, the laws in some 30 states still limit the weekly maximum compensation to less than \$25 per week for a disabled workman although actual earnings for June, 1948, for

manufacturing and mechanical industries in general, according to the Bureau of Labor Statistics, average \$52.81 per week and in some industries are much higher. Because of this top amount, the widely accepted principle that 66⅔ percent of wages should be paid the injured worker is applicable now to only a few of the very low paid employees. There is no reason why these upper limits fixed by state law 20 or 30 years ago should remain on the statute books. The insurance companies collect their premiums on the total pay roll, but the injured worker gets paid only a scrap of what his employer pays out and to which he is entitled. Our task in 1949, when 44 state legislatures meet, is to bring about substantial increases in benefits paid to disabled workers and their dependents.

Child Labor

Our continued drive to raise standards for the employment of children met with success in Kentucky and Virginia, where a basic minimum age of 16 was established for general employment. This brings up to 20 the number of states which have adopted this standard. The revised Acts in these two states also improve hours of labor and strengthen the protection given to children from work in hazardous employment. We must continue working for improvement in the laws of our states so that every child will secure the benefits of education until he is at least 16 years of age.

A special law was passed in Louisiana to provide a compulsory system of workmen's compensation for minors between the ages of 12 and 18 who are engaged in specified street trades.

Disability Compensation

We have repeatedly urged action by the states to give workers compensation in cases of sickness or accident not resulting from employment. This year New Jersey passed a law which establishes a system of disability compensation. It is the third state to provide that type of protection for employees. California and Rhode Island are the other states having laws of this type. The New Jersey Act provides for the payment of compensation to workers who are unable to work as a result of illness or accident not covered by the State Workmen's Compensation Act. Weekly benefits will range from \$9 to \$22 per week depending upon the worker's previous wages. Every effort should be made to secure the passage of laws of this type in other states. The Federation is studying the administration of these new laws and is prepared to give advice to state federations contemplating the introduction of such legislation.

Industrial Safety

Our reports for the past few years have pointed out the efforts to weaken state labor departments by transferring responsibility for controlling health hazards in industry to state health departments. Organized labor in 1948 was able to head off such proposals. With 44 state

legislatures meeting in 1949, there will undoubtedly be further attempts, as there were in 1945 and 1947, to rob labor departments of their industrial health functions. Already, such authority has been given in whole or in part to health departments in 10 states. Organized labor must be ready at all times to check this trend. Health functions which have always been placed in the U. S. Department of Labor are being taken away by Congress through appropriation language; the same thing must not be permitted to happen in the states.

State Labor Departments

The American Federation of Labor strongly believes that all laws relating to workers should be administered by a state department of labor. We opposed the action of Congress in transferring the U. S. Employment Service from the U. S. Labor Department to the Federal Security Agency. We shall oppose state action which cripples the efficiency or reduces the responsibility of the state labor department. This year, the Kentucky legislature established a separate Department of Economic Security. The functions formerly exercised by the Department of Industrial Relations with respect to unemployment compensation and state employment offices were transferred to the new Department. We deplore this action. Our job during 1949 will be to see that state labor departments not only retain all functions affecting Labor and the employment of workers but are adequately equipped to do the job assigned them.

Future Legislation

We will have a full program when the state legislatures meet next year. While every effort must be made to oppose and repeal anti-labor legislation, it is essential that we also introduce and support constructive legislation for the improvement of working conditions. Now is the time to secure the enactment of state minimum wage legislation, more adequate provision for the health and safety of workers, improved workmen's compensation laws, disability insurance, better child labor standards, and to fill in other gaps in our state legislative picture.

DEVELOPMENTS IN SOCIAL INSURANCE

Thirteen years have passed since the enactment of the first Social Security Act in the United States. While this program, which has not been revised substantially since 1939, is in many respects inadequate to meet the security needs of American workers, it has established the practicability of the method of contributory social insurance as a means of providing against the risks of dependent old age or the death of the family breadwinner, and unemployment.

Under the Federal Old Age and Survivors Insurance Program about two and a third million persons are currently receiving monthly

benefits in a total amount of about \$46 million. These include the primary benefits paid to the retired wage earner, the wife's, child's, widow's and parents' benefits.

In addition, under the provisions of the grant-in-aid programs established under the Social Security Act, the states are providing assistance to another two and a third million aged people per month, somewhat over a million dependent children and about 81 thousand blind persons. The total amounts paid under these public assistance programs of the states aided by the Federal Government during 1948 is averaging nearly \$140 million per month.

While unemployment is, fortunately, at the present time at a minimum, the state unemployment compensation programs which were enacted in response to the impetus provided under the Social Security Act of 1935 are serving a useful purpose in helping tide workers over periods between jobs. Between 800 and 900 thousand such workers are currently receiving unemployment benefits each week but most of these find new jobs before their benefit rights are exhausted. About \$60 million per month is being paid in benefits by the state compensation agencies. The funds held in trust for the states for the payment of such benefits amount to nearly \$7½ billion.

Old Age and Survivors Insurance

While the total number of persons now benefiting from this program and the total of amounts now being paid are impressive, and while we recognize that the present system represents a distinct advance toward social security for wage earners and their families, when viewed in terms of the needs of individuals it is apparent that the system is still far from adequate. For example, the average monthly primary benefit being paid at the end of last year was only \$26.94. It is significant that the average monthly payment under the Social Insurance system to persons over 65 years of age was \$26.21 as of March 1948, while the average payment under the Old Age Assistance program was \$37.97 per month. Thus we see the benefits under a relief program surpassing those being paid under the insurance program. Such a condition threatens the very existence of social insurance.

There also remain serious gaps in the coverage of the program. About 2 out of every 5 jobs in the United States are still without the protection of social security. The basic protection afforded by the contributory social insurance system should be available to all who are dependent upon income from work. The character of occupation should not force one to rely for basic protection on public assistance rather than insurance.

As noted in last year's report of the Executive Council on this subject, a resolution was adopted by the Senate to make a thorough study

of the social insurance system. Under this resolution (141) an Advisory Council to the Senate Finance Committee was appointed. This Council consisted of seventeen members drawn from industrial management, commerce, labor, agriculture, and state government and included leading experts in the field. Our Director of Social Insurance Activities, Nelson H. Cruikshank, served as a member of this Council and on its four-member steering committee.

The Council made an exhaustive study of the Old Age and Survivors Insurance program and submitted to the Senate Finance Committee 22 recommended changes. These were designed to meet the major deficiencies the Council found in the present program; namely, (1) inadequate coverage, (2) unduly restrictive eligibility requirements for older workers (largely because of these restrictions only about 20 per cent of those aged 65 or over are either insured or receiving benefits under the present program), and (3) inadequate benefits. The Council also made detailed recommendations on how to provide sound financing for the improved program.

Family benefits would be materially raised by other provisions of the Advisory Council's recommendations which provide that women become eligible at age 60, that the first child's benefit be raised to 75 per cent of the primary, and by a number of other liberalizing recommendations.

The American Federation of Labor agrees with all the 22 changes recommended by the Advisory Council except the recommendation that the Old Age and Survivors Insurance system should be extended to all federal employees and to employees of the railroad.

The Advisory Council issued a second report recommending the inauguration of a limited insurance program to protect wage earners against the loss of income through permanent disability. We agree wholeheartedly with the Council's findings that the risk of permanent disability can appropriately be provided against through social insurance, that the program should be made a part of the Old Age and Survivors Insurance program.

Congressional Failure

The second session of the 80th Congress did nothing to improve the social insurance program.

H. R. 296 deprives between half and three-quarters of a million workers of any protection in case of death and takes away their retirement rights—rights that in three notable decisions were upheld by the Supreme Court in 1947.

This measure was passed by the House without holding hearings, and was about to be defeated when amendments were added to liberalize

in the state laws enacted by the few legislatures that were in session during 1948.

Three states enacted slight liberalizations of their benefit formulas.

Four states lifted the minimum weekly benefit, but there are still 19 with a minimum of \$5 or less.

Six states increased their maximum benefit amount, and four improved the maximum duration.

There is still no adequate protection against temporary disability arising from accident or illness that are not connected with a workers' job. Only about 10 per cent of the cases of disability resulting in wage loss are covered by our workmen's compensation laws. Only three states have amended their unemployment insurance laws to provide such protection while five others compensate in part under limited conditions.

The three states mentioned include New Jersey where the law was amended during this past year. It is regrettable that despite heroic efforts of the officers of the New Jersey Federation of Labor this program permits employers to elect coverage with private insurance carriers. Temporary disability insurance belongs by nature with the other social insurances and is not an appropriate field for private investment. The entrance of private carriers will greatly complicate the administration of the law and will introduce an incentive to reduce and restrict benefits that will militate against the social aims and purposes of the program.

Continuing experience bears out our judgment that the inadequacies and contradictions of our present unemployment compensation program will only be overcome through the enactment of a unified federal system.

During the past year the threat to such minimum federal standards as are in effect with respect to the state unemployment compensation laws, which we noted in last year's report, was successfully met. Some of these standards are very important to Labor, such as those relating to personnel standards within the state agencies, the payment of benefits through public employment offices, the provision for opportunity for a fair hearing before an impartial tribunal for claimants whose claims for compensation have been denied, and that no unemployment compensation funds may be diverted to other purposes. Of more direct interest to workers is the federal standard that now provides that no state unemployment compensation law may deny benefits to an otherwise eligible individual for refusing to accept new work if the position offered is vacant due to a strike, lockout, or other labor dispute; or if the wages, hours, or other conditions of the work offered are substantially less favorable than those prevailing for similar work in the locality or if as a condition of being employed the individual would be required to join a company union or resign or refrain from joining any bona fide labor organization. It is these minimum and basic standards from which a

number of the state agencies are now wishing to be free. Under the guise of a tax simplification program employers and a number of state officials anxious to do their bidding would undermine the unemployment insurance program. Though a bill was introduced to remove the Federal Government completely from any effective participation in the unemployment compensation program, the American Federation of Labor, with the active assistance of our state federations exposed its purpose and prevented it from being reported out.

It is evident that some revision is needed in the method of financing the administration of the state unemployment insurance programs, but this should not be the excuse for undermining the federal standards applicable to the state laws. We recommend that a trust fund for administration should be established which would be impartially administered and provide sound budgeting procedures and elasticity in administration. None of the laws introduced in the 80th Congress on this subject, in our opinion, however, meet these requirements.

In February 1948, under the terms of the Reorganization Act, President Truman undertook to strengthen the unemployment insurance system by permanently placing the United States Employment Service in the United States Department of Labor. This proposal was not only annulled by Congress, but Congress included in the Federal Security-Labor Appropriations Act the Employment Service to the Social Security Administration, thus further emasculating the Labor Department and undermining the usefulness of the Employment Service at one stroke.

Health Insurance

One of the major gaps remaining in our social insurance program is its failure to provide for the costs of medical care. We know that about a third of the cases of public dependency arise through instances where through no fault of their own, workers have had to meet serious medical costs for themselves or members of their families that they were unable to pay. We have no desire to "socialize" the practice of medicine, but we agree that it is entirely feasible to spread the risk of the cost of illness by application of the compulsory insurance principle so that no worker need to labor under the constant fear of disastrously high doctors' and hospital bills.

During the second session of the 80th Congress we made no progress toward the enactment of health insurance legislation. The protracted hearings on our bill (S. 1320) and on the Taft-Ball-Smith bill (S. 545) were concluded but neither bill was favorably reported.

Meantime the interest and demands of our membership and of people generally for providing for the costs of medical care through insurance continue to grow. The failure of Congress to act has not prevented many

of our unions from providing some protection through collective bargaining. While this method is the best available at this time we recognize that it is not as sound nor as practical as the comprehensive program envisaged in the Wagner-Murray-Dingell bill (S. 1606).

This interest was eminently manifest at the National Health Assembly held in Washington early in May of this year. There, it became clearly apparent that our representatives at that Assembly were voicing the wishes of millions of people—farmers and professional people as well as industrial workers—in their demands for national health insurance and their expressions of dissatisfaction with the present methods of paying for medical care and with so-called voluntary insurance programs. Technical assistance comes also from the Committee for the Nation's Health on which President Green and Executive Council Member Woll serve in an official capacity.

The Hospital Survey and Construction Act of 1946 is well along in developing a construction program through grants-in-aid to the various states to meet the serious shortage existing in hospitals and health centers. The Surgeon-General of the U. S. Public Health Service who administers this program included our Director of Social Insurance Activities on the statutory Federal Hospital Advisory Council. We recommend that state federations of labor ask for similar representation for Labor on the various state hospital advisory groups.

WAGE AND HOUR ADMINISTRATION

Fair Labor Standards Act

The Fair Labor Standards Act has now been in effect for 10 years. During this period of time, our country has moved from a period of serious unemployment and depression, through the war period to the present record-breaking level of peacetime activity.

During this period, wages have approximately doubled and, through union organization, workers have gained working conditions far better than those prevailing 10 or 12 years ago.

Despite this improvement in wages and other working conditions, experience by the Department of Labor under the Fair Labor Standards Act during the past year indicates the continued need for effective enforcement of our country's wage and hour standards.

Because of a limited budget, the Labor Department was able to inspect only slightly over 30,000 establishments during the year ending June 30, 1948. This represents only slightly more than 5 percent of the 550,000 establishments which have one or more employees subject to the provisions of the Act. Even though establishments selected for inspection

are those in the typical low wage and sweatshop industries, this small number of inspections is inadequate to maintain a proper level of enforcement.

The inspection statistics covering both the Fair Labor Standards Act and the Public Contracts Act indicate that 15,799 establishments, or 53 percent of those inspected were found to be in violation of the minimum wage, overtime, or child labor provisions. It is astounding to find that even as many as 1,833 establishments were in violation of the minimum wage provisions of the law. Over half of the inspected establishments were found to be violating the overtime provisions. The number of serious violations that were reported for possible criminal or blacklist action and including those against whom injunction proceedings were sought, totalled 2,024, or 7 percent of the inspected establishments.

As a result of these inspections during this twelve-month period, a total of over \$10,700,000 was found to be due to over 184,000 underpaid employees. Of this amount, only a little over \$4,000,000 was actually paid by employers either voluntarily or after the Labor Department had brought court action. This figure is such a small proportion of the total because employers are finding it more and more profitable to refuse to pay back wages. Under the law, the Labor Department cannot order the payment of back wages to the employees concerned. Criminal action is permitted only in those cases of "willful" violation of the law. The only way employees can obtain the back wages to which they are entitled is by a costly and time-consuming civil suit which they are generally reluctant to undertake. Consequently, many of the employers violating the Act are never forced to pay the penalty of this violation.

Enforcement of the child labor provisions of the Act continued to be as effective as the legal requirements of the law permitted. During the past fiscal year, a total of 1,384 establishments were found to be employing 4,627 minors in violation of the Fair Labor Standards Act. During the same period through action initiated under the Public Contracts Act, \$234,594 in liquidated damages was assessed against 105 firms for the illegal employment of 1,189 minors.

During the past year public hearings were held by the Administrator to consider possible revision of the regulations defining the present exemption for "executive, administrative, and professional" employees. A number of international unions officially participated at this hearing in addition to representatives of the American Federation of Labor. The chief issue in dispute was the existing salary test for defining these employees, now set at \$200 a month. The A. F. of L. groups at the hearing urged that in view of the increase in wage levels, this figure should be set at not less than \$400 per month. No decision on this question has yet been made by the Administrator.

The entire history of developments under the Fair Labor Standards Act during the past year demonstrates conclusively the need for a complete revision of the Act. The existing wage levels are not merely out of date, but obsolete and archaic. The American Federation of Labor believes that only with an increase in the minimum rate to \$1.00 an hour can the Act effectively perform the task for which it was devised. In addition, the numerous exemptions, technical regulations, and loopholes in phraseology which have been hindering effective enforcement of the Act since its passage, need to be removed or clarified. There is no reason why the basic wage and hour standards embodied in the Act should not apply to such groups of workers as employees engaged in retail and wholesale trade, industrialized agriculture, and the processing and canning of agricultural and fish products. The child labor provisions particularly need to be strengthened. Only if these changes are promptly made will the Act be able to serve a useful purpose, protecting the basic wage and hour standards of this country.

Labor Standards on Government Contracts

The most significant development in the administration of the Public Contracts Act during the past year has been the inauguration of a program designed to increase the minimum wage rates applicable to all employees working on government contracts. This action has long been urged by the American Federation of Labor and was undertaken only after specific requests for action had been made not only by the Federation, but also by numerous affiliated unions. The importance of this program to revise these industry wage determinations, most of which were made before the war, is highlighted by the fact that on June 30, 1948, over \$2 billion in government contracts was subject to the Public Contracts Act.

The first public hearing under this new program on January 21 concerned the suit and coat branch of the uniform and clothing industry. As a result of this hearing, the minimum wage for all workers in the industry employed on government contracts was raised from 65 to 85 cents an hour for production workers and from 40 to 65 cents an hour for so-called auxiliary workers. Although this is the only new determination that has been made by the Secretary of Labor, hearings have been held in other branches of the uniform and clothing industry, in the hat and cap industry, and in the textile industry, in all of which American Federation of Labor international unions have participated. In addition, arrangements are being made to hold hearings in the glove, flint glass, and furniture industries, which will all involve A. F. of L. international unions. The research staff of the Federation has been cooperating with the particular international unions concerned with these industries in order to assist them in presenting the most effective case possible for an increased minimum wage.

The importance of this new program transcends the significance of the enforcement work under the existing wage determinations which has been proceeding under the same handicaps as the enforcement work under the Fair Labor Standards Act. During this fiscal year, a total of 1,559 establishments operating under the Public Contracts Act were inspected. Of these 593, or 38 percent were in violation of the overtime, minimum wage, or child labor provisions of the Act, the majority of which concerned the overtime provisions. Because of the significance of the new program, we urge the Department of Labor to hasten its completion, even at the cost, if necessary, of reducing enforcement standards below existing levels.

EDUCATION

Today, every state requires that youth attend school. But every state does not make adequate educational facilities available for all children in the state. Physical equipment and services for children vary greatly among and within the states. Furthermore, the quality of instruction varies greatly also. Such differences are due, to a very large extent, to the lack of funds of a number of states, and a lack of funds within certain parts of a number of states; even the rich states. This lack of funds is due in part to the relative lack of taxable resources among and within the states. But in addition, the lack of funds for social purposes in our states today must also be attributed to the forms of taxation as well as to a lack of a sound system of state aid for education and for other social purposes within the states. The question of the source of public funds for educational purposes further emphasizes the need for a development of a sound coordinated tax program. Here, in relation to education, we wish to point only to the evil consequences which result from a lack of funds for educational purposes.

We reiterate our position that funds must be available to afford every person in the United States adequate and ample opportunities for educational growth and development. This premise has been the basis on which we have urged federal aid for education for over 30 years.

There is acute need in this country for a billion dollars from the Federal Government for aid to the states for teachers' salaries, alone. The subject of federal aid to education is of such tremendous importance that sustained attention must be given to it.

Federal Aid to Education

Since World War I, the American Federation of Labor has actively sought federal aid for education. Legislation has failed of enactment because certain organized groups are unwilling to permit all children to share in the benefits of such a program. Until this intolerance is overcome by an articulate, concerted movement to assure the

benefits of federal aid to every child and youth, we shall not have sound federal aid legislation.

We point with pride to the principles for which we have stood with regard to this legislation, and to record that many of those principles for which we have fought have now been accepted by many of the very groups and organizations which at first fought us for advocating them.

1. We were the first organization in the country to insist on protection of the rights and privileges of all minorities, racial and religious, in sharing in federal funds. We are happy that there have been written into the bills which have been before the Congress in the last few years the specific guarantees to recognize the rights of racial minorities.

2. We have insisted on the principle that education implies vastly more than formal schooling. We believe that the assertion of the legal right to be educated is not enough; such a right must be implemented in such a way as to afford each person the opportunity to enjoy that right in keeping with the principles his conscience may dictate.

3. We have stood for recognition of the principle that the well-being of *every* child is the concern of the Federal Government.

While the American Federation of Labor has, since its inception, played a major role in developing an American free public school system, the Federation has at the same time asserted its interest in not only the school system, but is concerned just as much with the development of an educational program through which every American child of every race and creed, wherever he may be, may be assured the best services the nation can give him to develop into a good, sound, healthy American citizen. It is only in recognition of this principle that we can justify federal aid for education, as organized education itself is and should remain a distinct function of the separate states.

It is an empty right to allow the existence of parochial schools for the use of those children whose parents, in good faith, believe they should send their children to such schools, if our government while recognizing this right, at the same time denies the children who attend these schools such services and such privileges as will protect their very health and safety.

We believe it is the duty of the state to determine the educational standards of any state and the educational requirements incident to such standards which it may establish. Coordinate with this premise, we believe that it is the right of any parent to determine how and where these educational standards laid down by the state are to be met, by and for his children. It is belief in this fundamental principle which distinguishes a free and democratic nation from a totalitarian state.

We reiterate our position that while the Federal Government should help the states maintain a good, free public school system, that it should

also afford every undeveloped child and youth those services through which his health, welfare, social well being and mental capacity will best be developed.

4. We have also urged that federal funds be allocated among the states on a basis of relative need.

5. We have further urged that sound administrative safeguards be recognized in any truly sound program, and that such safeguards must be written into law.

A large number of the standards and safeguards for which we have stood for so many years, were written into the bill as it passed the Senate. These safeguards include:

1. That federal aid should supplement and not supplant state and local funds.
2. That funds allocated for education by the states and their political subdivisions before the enactment of federal aid, should be maintained.
3. That at least the average monthly salary paid teachers from state and local funds before the enactment of the federal aid bill should continue to be paid by state and local governments after federal aid is available.
4. We propose that, as a prerequisite to the state's receiving federal funds, a minimum of state and local funds for every child in the state be contributed as a flat basic fund.
5. That federal funds should be made available for every part of any state in need thereof.
6. That the plan of allocation of federal funds assure greater allowances for the poorer states; that the bill be an effort toward equalizing educational opportunities. (While we urged a bill for federal aid to help toward equalizing educational opportunities among the several states, we also frankly stated that we recognized the need for federal *support* of education, in addition to aid, for the poorer states.)
7. In addition, ever since 1926 we have urged that a clearly worded mandate be written into the law, assuring members of minority races an absolute per capita share of the federal funds allocated.

Our nation must have a comprehensive educational program worthy of our people's faith in the democratic process, and a program designed to meet our basic educational needs requires three billion dollars annually from the Federal Government.

We should demand a federal aid program of at least three billion dollars, administered with full observance of state authority in education, and so drawn as to help the needs of *all* people in all states.

The American Federation of Labor should have ready at the opening of the 81st Congress a specific, carefully drawn, practical program. It is therefore recommended that the Legislative Committee of the A. F. of L., in cooperation with the Federation's Committee on Education, have a bill prepared providing for federal aid to education and

have this bill ready for introduction into the 81st Congress, at the opening session of that Congress.

In the light of legislative history on the question of federal aid to education, and in keeping with our principles as enunciated repeatedly in our Conventions, it is recommended that the necessary proposed legislation be drafted under four titles, providing:

1. Federal aid for salaries of public school teachers (the term "teacher" to be defined in the bill), to be administered by the public educational authorities of the state.
2. Federal aid for services for all children 5 to 17 years of age, to be administered by such public agency as would be permitted under state law to administer such a program for all children.
3. Federal aid for scholarships to enable needy children and youth to remain in school; the payments to be made directly to the needy child and youth by a properly designed public agency.
4. Federal aid to wipe out illiteracy in this country.

Federal Aid for Teachers' Salaries

Federal aid for teachers' salaries is vitally essential if our schools are to be manned by professionally qualified teachers. Teachers' pay everywhere is too low; even the best paid professional teacher in this country is not fully compensated either according to the social value of the service rendered or in keeping with the pay rate for special skills put into this essential service. All teachers at all school levels render service important for the development of children. We reiterate our position in support of the single salary schedule: equal pay for equal qualifications for all work that school involves, regardless of sex, race, or creed.

We call attention to a dangerous movement afoot in this country which, in the guise of promoting and improving teaching by tying a rating scale to teachers' salaries, is destroying teacher morale, weakening teacher tenure, making the teachers subservient to the whim of an Administrator instead of serving as an employee of the people, advancing the truth. Furthermore, this device is used as a means of either denying teachers the increments which they have earned by their years of service, or of actually reducing the salary of a teacher on the pretense that he has not, on the basis of his rating, earned the increment.

Such a practice is particularly objectionable, as all educational authorities of note agree that there is no objective means of rating a teacher. On this premise, "merit systems" based on ratings are simply a device through which salary increases and promotions are often given to teachers simply because they support the Administrators' point of view and refuse to work collectively through a union for the common good. The American Federation of Labor has, on a number of occasions, condemned any plan which relates teachers' salaries to teacher rating

schemes. We reiterate our stand in opposition to so-called merit ratings, and recommend that the A. F. of L. Committee on Education call the attention of the state federations and city central bodies to the true purpose of such schemes, and further, urge upon them to cooperate with the teachers and their respective communities in fighting against such programs.

We have repeatedly said that no community can afford to pay any teacher less than \$3,000 annually. This \$3,000 entrance salary should be increased annually by automatic increases large enough to assure the teacher that he will reach his maximum salary in a relatively short time, and receive a salary commensurate with the work he is doing and the service he is rendering the community. To make possible the payment of such a schedule, it is apparent that federal aid for teachers' salaries is vitally essential.

Since 1943 the American Federation of Labor has said that *not less* than one billion dollars is needed for teachers' salaries alone to help pay teachers a somewhat more nearly adequate salary. Three hundred million dollars is not nearly enough to enable the states to do their job. Actually the states and their subdivisions have to increase their outlay for educational purposes by at least one billion and the Federal Government has to provide three billion dollars, if the needs were to be met.

We note that since 1943-44 the states and their subdivisions have *actually* increased their educational outlay, *exclusive of capital outlay*, by about \$900 million. Surely, we still need the billion-dollar federal appropriation for salaries alone if salaries are to begin to be large enough to attract and hold qualified personnel.

The second title of the proposed legislation for federal aid calls for aid for services for all children. As a general plan, it is our policy that such services should include those activities incident to an educational program which make possible the physical and social development of the child, as well as his mental growth. Specifically, it seems proper to ask for federal funds for such services as have been held by the Supreme Court of the United States to be proper services for children and youth, for which special funds may be expended.

The American Federation of Labor reiterates its position in support of federal funds for services for all children, no matter where those children attend school, providing that the funds are administered by a public agency; and providing further that such funds do not include the payment of teachers' salaries in the non-public schools.

The third title for which aid is recommended is for scholarships to enable needy youth to remain in school. Thousands of young people leave school annually because they do not have enough money to remain in school. For this reason, the individual youth, and the nation, lose

heavily. Relatively small grants should be made available to enable any young person to remain in school to complete his education.

The fourth point to be developed in a separate title in the proposed legislation deserves special attention: it is that portion of the proposed legislation which asks for federal aid to wipe out illiteracy. There is little that could be of greater importance to us as a nation than the eradication of illiteracy. This point deserves special attention.

Practically all federal aid bills which have been pushed have had said of them that they will help eradicate illiteracy. In the very long run, that may be true. But, actually, as of today, unless a special sum is set aside for a special program, there will be no specialized attack on illiteracy. Of course, there should be.

The 1940 census reported 10 million persons over 25 years of age who are functionally illiterate. One-third of these are negroes. There is a tragic loss both to the nation and to each individual human being implicit in the figure, "10 million illiterates": economic loss, social loss, moral and spiritual loss! Such a condition is a disgrace to our people, and even more, a danger to our nation!

These four major parts of our program constitute the items for which we should demand federal aid for education.

Vocational Education

Over 30 years ago, the Federal Government enacted its first law to provide federal funds for vocational education. That law laid down specific terms to determine the conditions under which the states and local communities could get these funds. Such safeguards were necessary for the launching of this departure from formal schooling. Since that time there have been a number of amendments enacted incident to the administration of the law and supplementary to the original law. The most important of these "follow-up" laws was the George-Dean Act.

Scattered reports which have come in to the American Federation of Labor indicate that the program, as administered under the present law, is functioning satisfactorily in some communities and unsatisfactorily in others. One of the points to which considerable adverse criticism is directed in some states is the provision that requires a fixed number of hours for specialized vocational work. It is held by some that this fixed hourly requirement for "vocational workers" forces the school to be limited severely in its academic work. All trade unionists believe the academic work to be of equally as great importance as the vocational work for the pupil.

Since the original Smith-Hughes Act, the Federal Apprenticeship Program has been inaugurated and many other industrial training programs have been evolved.

We believe that a joint study and evaluation of the current program would facilitate the adjustment of the program today to a set of circumstances which are very different from those which prevailed when the law was first enacted. For many years, the A. F. of L. Committee on Education has sought to gather material relating to the administration of vocational education throughout the country. In order to develop sound recommendations, it is necessary to have a carefully planned, supervised study made over a period of months, in a number of areas. Obviously, our Committee on Education is not equipped to make such a study. The Vocational Education Division of the Office of Education is equipped to conduct a number of pilot projects through which to explore specific fields, and the specific areas through which vocational education can be made socially and economically more useful. A study of vocational education also requires a study of our public school system in relation to the entire field of practical training.

This proposed study on vocational education should lay stress on a recognition not merely of definite degree of academic ability, but on definite types of ability, and on the need for creating and maintaining standards of achievement in non-academic as well as academic work.

The A. F. of L. Committee on Education and our Conventions have repeatedly urged an evaluation of testing programs of guidance and of counseling. We have recommended that the Division of Vocational Education of the United States Office of Education be formally asked to make a critical evaluation of the program and the administration of the entire vocational education field and that the findings serve as a basis upon which recommendations may be made.

It is recommended that the Division of Vocational Education be asked to establish pilot projects in this field, to be conducted in cooperation with our trade union movement, interested schools, and other organizations concerned in this field. It is also recommended that the Division of Vocational Education, in connection with these pilot projects should make an evaluation of testing programs, guidance and counseling. It should be borne in mind in connection with these pilot studies that all training is "vocational" and that the desire of certain pupils to enter upon training for work requiring manual dexterity or merely manual experience, should not impliedly relegate these people into an inferior school group, nor should the groups assigned to manual training be composed of persons of lower I. Q. The social well-being of each person and his ability to function in his community for the common good should determine the training given to them.

International Educational Problems

The importance of educational problems in relation to international understanding and good will is universally recognized. So, too, must the potential dangers in false education in relation to international problems

be recognized. The totalitarian states have used their schools to inculcate unquestioning loyalty to the state, and all of the actions of the state, in all of its citizens. The democracies have sought through their schools to instill in every pupil appreciation of human freedom and a desire to know the truth and to evaluate the facts.

At the present time, while we urge as strongly as we possibly can that in all school classes there be an emphasis upon the desirability of peace, there should also be consideration of the facts concerning nations which do not share our democratic way of life, and our deep desire for peace.

Our teachers in all our classes should help revise curricula and textbooks so that the truth about all nations will be presented in such a manner as to help our future citizens better understand and more fully appreciate our neighbors. The control of educational administration is a state function; determination of curricula content should be the function of the professionally qualified teachers in any community; they should determine how the truth can most effectively be taught.

Exchange of pupils, exchange of teachers, exchange of scientists, exchange of labor leaders, should be encouraged, but the standards for the administration of such programs should be clearly set forth and carefully administered. However, in the light of the world situation today, international exchange of students cannot be effected without full regard for the privileges which our students would be afforded in other countries and the abuses of privileges in which some of our guests may engage while allegedly studying in our country. The academic and scientific integrity of such an exchange program must be carefully safeguarded by ample administrative safeguards.

Specifically, we urge:

1. That wide public notice be given of all opportunities for international or foreign study or exchange available for any American citizen, with a full description of the conditions and requirements incident thereto.
2. That a Board on Selections be set up for each field, with area subcommittees so as to afford interested persons in every state the opportunity to apply and to seek to qualify; that such a board shall be composed of representatives of interested educational, scientific, labor, agricultural, and industrial organizations who shall then nominate qualified applicants to the proper appointing power.
3. That the names of all persons to be exchanged or to go from or to enter our country incident to such a program should be announced not later than three months before the person begins such a study, together with a report of the planned study.

TRADE UNION FELLOWSHIP PROGRAM

Under this program, Harvard University continues its cooperation by which a course is planned for trade union officials seeking better technical preparation for their work.

At the request of international unions, the nine months course will be condensed into 13 weeks.

PUBLIC RELATIONS, RADIO AND THE LABOR PRESS

Pursuant to action taken by the 1947 Convention of the American Federation of Labor, and in conformity with further action taken by the Executive Council, the Committee of the Executive Council on Public Relations and Educational Activities entered into an agreement with the public relations firm of Owen & Chappell, Inc., of New York, which provides for an extended and comprehensive public relations and educational program.

This public relations plan calls for a constructive program of ever-increasing publicity work in the radio, motion picture, magazine and newspaper fields. Plans have been formulated and are being carried out which provide for an intensive radio program and an impressive and educational motion picture program.

Widespread interest has been demonstrated by the membership of the American Federation of Labor in the different cities and communities throughout the land in a broad and constructive public relations program. This fact has been made clear in resolutions adopted by central labor unions, local organizations and other affiliated units. The story of the American Federation of Labor can be told in a most effective way through utilization of radio services, motion pictures, magazine articles and the public press.

The Executive Council also authorized the extension of greater service to the bona fide labor press. In conformity with this decision the American Federation of Labor's Weekly News Service has instituted a free mat service to the labor press, including cartoons and news pictures. The services of regional correspondents also have been engaged to provide up-to-the-minute reports of significant labor events and developments in various parts of the country.

It is planned by these and other steps to make the American Federation of Labor Weekly News Service of indispensable value to the loyal labor press.

The Executive Council reaffirms its belief that the labor press provides a vital and basic medium for the education and enlightenment of trade union members and it is determined to assist the labor press to attain and maintain the highest standards.

AMERICAN FEDERATIONIST

During the past year the *American Federationist*, the official monthly magazine of the American Federation of Labor, continued in a most effective manner to serve the cause of all who toil.

Timely and authoritative articles on questions of vital concern to organized wage earners and advancing the interests of the American Federation of Labor and its affiliated unions were published throughout the year. Numerous letters from readers indicated that this material was being found most valuable both by rank-and-file members and by union officers.

In 1948, as the first of a series of contemplated improvements designed to make the official magazine more attractive as well as more interesting and useful, the *American Federationist* inaugurated the use of two-color printing. The response to this innovation has been exceedingly gratifying.

The year saw a steady increase in the number of paid subscriptions. Much of this increase resulted directly from the action of the San Francisco Convention in calling upon officers and representatives of Labor in every community to make efforts to increase the number of readers of the publication which carries the official messages of the American Federation of Labor. Despite the expansion of the *American Federationist's* subscription rolls during the year, however, a great deal remains to be done in the circulation field.

At the present time the *American Federationist* occupies the highest eminence among the official publications issued by the world's national labor federations. It is our intention to continue to seek ways of further improving the *American Federationist* in content, physical appearance, circulation and influence.

The strong appeal of the *American Federationist* during the past year, as revealed in communications from readers throughout the United States and Canada, was made possible in very large part by the cooperation of officers and organizers of the American Federation of Labor and of affiliated national and international unions, state federations of labor and city central bodies. The articles contributed by these busy men and women, already fully occupied with the regular duties of their respective positions, have enabled the American Federation of Labor to publish a magazine which has no superior in its field.

The Executive Council is deeply grateful to these devoted trade unionists for their valuable contributions, which have added so greatly to the knowledge and understanding of our movement that must always be regarded as fundamental factors in the progress of the cause of organized labor.

NOTICIARIO OBRERO NORTEAMERICANO (NORTH AMERICAN LABOR NEWS)

The Executive Council is gratified to report on the continued growth and success of the Spanish language clipsheet which is published bi-

monthly by the Secretary-Treasurer of the American Federation of Labor. This publication continues to promote understanding among the workers of the Western Hemisphere and to assist the trade unions of Latin America in their organizational work. Particularly effective was the distribution of five thousand extra copies of a special edition containing a report of the proceedings of the Lima Conference.

In addition, the American Federation of Labor is now publishing the *Inter-American Labor News*, a mimeographed monthly bulletin in English which is sent to more than five hundred labor leaders, labor publications and government agencies to keep them informed of trade union developments in Latin America.

RESEARCH BULLETIN

This bulletin is planned to provide union officials and organizers with quick and precise information on administrative and judicial decisions on labor law affecting collective bargaining, together with the latest report of basic labor statistics. Response to this new publication has been gratifying.

LABOR'S MONTHLY SURVEY

Economic developments have been particularly important during the past year, and we have been able through Labor's Monthly Survey to keep our membership advised of changes in prices, wages, employment and other important developments on which they cannot secure adequate information elsewhere. Frequent publication of tables of wage increases won by affiliated unions in different industries have been especially useful to local unions for their negotiations.

We have made a special point this year of showing the qualities and the results of free trade unions and for contrast purposes have given information on Soviet Russia, reported on forced labor and concentration camps. We have shown the extremely low living standards and poverty that exist under Communism, and pointed out the objectives back of Soviet efforts to get control of Europe and other parts of the world. We have also interpreted the development of the European Recovery Program to our members, shown the progress of free trade unionism throughout the world, and recorded events of worldwide importance to Labor. Since the Survey is now read in all parts of the world, it is forming an important informational link between the American Federation of Labor and free trade unions in other countries.

A new feature started this year is the mat service to labor papers. The charts from Labor's Monthly Survey are made up in mats with a few lines of reading matter describing the chart. A number of labor journals are using these mats regularly, thus giving their readers graphic information on economic conditions at home and significant developments abroad.

BUILDING AND CONSTRUCTION TRADES DEPARTMENT

In accordance with the Constitution of the American Federation of Labor, the Building and Construction Trades Department of the American Federation of Labor submits a report of its activities for the fiscal year ending June 30, 1948.

The finances of the Building and Construction Trades Department are in excellent condition. All affiliated national and international unions are in good standing with the Department, and will be represented at the forty-first annual convention.

On January 1, 1948, the Department began the publication of an official monthly organ, entitled the *Building and Construction Trades Bulletin*, through which it will keep local councils and affiliated unions informed of events which affect them and the industry.

The building and construction industry operated at a high level throughout the year. In the first six months of 1948 new construction put in place amounted, in dollar volume, to \$7,684 millions, a gain of 35 percent over the same period in 1947. The dollar volume as a measure of progress is, however, misleading, since advancing construction costs accounted for almost half of the increase over the previous year. Inflation continues to be the gravest threat to the maintenance of a high level of production. Although building materials' prices were at an all-time high in June, 1948, indications were that they would go still higher. The Department has continued to urge upon Members of Congress and other government officials the pressing urgency of the adoption of policies which will stabilize construction at a high level and prevent the violent fluctuations which have been characteristic of our economy. Unless such policies are decided upon and put into effect in the near future, the building and construction industry will be the first to feel the disastrous consequences of a new slump.

Earnings of building tradesmen during the year failed to keep pace with the soaring cost of living, although wage increases were secured in every trade, affecting a majority of union members. The wage increases of the past twelve months, however, were less than those of the preceding twelve months. In April the average monthly earnings of building tradesmen on federal construction were \$222.90. Even if building tradesmen worked the full twelve months they would, at that figure, earn less than the amount which the Department of Labor says is needed to maintain a family of four at an adequate minimum level.

There has been some local unemployment in certain of the trades, but on the whole employment opportunities have been abundant. There has likewise been some shortage of skilled labor in certain localities and in certain trades, but no over-all shortage of labor has developed. Employment in the industry in June stood at 2,182,000, surpassing the postwar peak of September, 1947, and edging toward the peak of 1942.

Housing shortages accounted for some of the unemployment, as well as for a considerable part of the local labor shortages, since inability to secure housing hindered the movement of building tradesmen from those localities where work was scarce to those where it was plentiful.

The apprentice-training program continued to develop satisfactorily. On June 1 there were registered with the Department of Labor 131,288 apprentices in the building trades, a majority of whom were veterans. The Department made, and will continue to make, every effort to increase this number to the 200,000 which the Department of Labor estimates are required to take care of the needs of the industry in the next few years. There have been almost no instances in which labor has failed to cooperate to the fullest extent with the government in pushing apprentice training. The difficulties encountered were (1) unwillingness of almost 50 percent of the contractors to hire apprentices and (2) the need of the Bureau of Apprenticeship of the Department of Labor for additional field representatives to supervise the expanding program.

The housing situation, and more especially that with regard to low-rental housing, continues to be a matter of the utmost concern. The Building and Construction Trades Department cooperated in every way with the Housing Committee of the American Federation of Labor in an attempt to secure adoption by Congress of the Taft-Ellender-Wagner general housing bill. The failure of Congress to adopt a broad, over-all housing program constitutes a definite and immediate threat to the entire industry. The McCarthy housing bill finally adopted in the Special Session of the 80th Congress does not include provision for public housing, slum clearance, or urban redevelopment. It will do little if anything to help those most in need of housing, and may even increase the difficulties which low and middle-income families will encounter in securing decent housing at prices they can pay. That the bill was designed to help the home builders and other entrenched interests is obvious. It is significant that housing starts declined in June, as compared with May. This may indicate the reduction in housing construction which has been predicted as a result of the failure of Congress to pass the long-range housing legislation for which labor fought so long, has begun. It appears clear, at any rate, that new housing construction for the calendar year 1948 will fall below the number of units which were anticipated at the beginning of the year.

There were many indications that labor productivity in building and construction increased during the year, due in large part to improvements in the supply of building materials, decrease in pilfering of labor, and elimination of many of the inefficient and untrained workers who entered the industry during the war years.

The Department was successful after almost two years of negotia-

tions in establishing and putting into operation a joint plan for the settlement of jurisdictional disputes. The plan was ratified not only by the Building and Construction Trades Department and its affiliated national and international unions, but by the Associated General Contractors and seven associations of specialty contractors. The plan provides for an impartial chairman, whose appointment became effective on May 1, and for the establishment of joint boards as disputes come up for hearing and decision. Each board is to be made up of the impartial chairman and two members representing Labor, two representing Employers, selected from a labor-industry pool of twenty-four. Disputes over jurisdiction have been flowing to the impartial chairman in an orderly manner. Some of the disputes submitted were settled, in accordance with the plan, by agreement between the general presidents of the unions involved, while others were scheduled for hearing and decision.

Much of the time of the officers of the Department has been taken up with Taft-Hartley Act developments. Under the Wagner Labor Relations Act, the National Labor Relations Board did not take jurisdiction over the building and construction industry. Under the present Act, however, both the General Counsel and the Board itself asserted jurisdiction, and the General Counsel announced that union shop elections would be held throughout the country, if and when procedures for holding them could be finally worked out. One pilot election took place in May, in the heavy construction industry in 33 counties in Western Pennsylvania, with only five of the nineteen trades taking part. Even that election, however, required months of preparation and the services of some 52 Board Agents as election supervisors. It showed an almost unanimous vote for the union shop. Since that time the General Counsel of the N. L. R. B. has said repeatedly that because of the difficulties and expense involved in holding these elections, he believes a change in the law is desirable to exempt the building and construction industry from the union-shop election provision of the law. The Department has maintained its position, however, that it is opposed to the entire law and will be satisfied with nothing less than its repeal. Meantime, while the N. L. R. B. is still trying to work out procedures for holding union shop elections in the industry, agreements are expiring and unions and contractors find it impossible to provide for any type of union security. This has resulted in the almost complete stoppage of building and construction activity in a number of localities.

One representation election was ordered by the N. L. R. B. in the building and construction industry during the year, on the Bull Shoals Dam in Arkansas. The local Building and Construction Trades Council had to wait more than four months for the Board's order, after it made its request for an election. Even if the Council wins the election, which

is scheduled for the end of July, six months will have elapsed by the time collective bargaining can begin. On an ordinary construction job this delay would be fatal, and on the Bull Shoals Dam the period of peak employment will be well under way by the time an agreement can be reached if the contractor proves willing to enter into a contract. If a strike proves to be the last resort, still further delay can be used by the contractor, under the Taft-Hartley Act, to frustrate the unions.

A serious difficulty under the Act is the growing tendency of large corporations in all parts of the country to do construction work with maintenance and operations employees, thus creating many disputes as to jurisdiction, causing loss of earnings to building tradesmen, and increasing corporation profits.

The most vital consequences of the Act are, however, as was predicted, those which flow from the secondary boycott provisions. Local Building and Construction Trades Councils and unions all over the country are already bogged down by court actions because of these provisions, which force one union to destroy other unions and even to work to its own destruction.

The Department continued to protest the emasculation of the Department of Labor, and to request additional appropriations for that Federal agency, which is so important to the working men and women of the country.

The officers of the Department have had the closest cooperation from the Legislative Committee of the American Federation of Labor, the members of which have worked closely with that Department in all matters relating to legislation. The President of the Department, as well as other officials, appeared before the Joint Congressional Committee on Housing, and the President testified before the Taft-Hartley "watch-dog committee," demanding repeal of the Act. We have also had most satisfactory relationships with other Departments of the American Federation of Labor.

We want to thank President William Green, Secretary-Treasurer George Meany, and the members of the Executive Council of the American Federation of Labor for the prompt and unfailing cooperation which they have extended in all matters affecting the Building and Construction Trades Department.

UNION LABEL TRADES DEPARTMENT

The Union Label Trades Department has witnessed a most encouraging year. The demand for the union label, shop card and button is rapidly increasing.

American Federation of Labor officials, President William Green and Secretary-Treasurer George Meany, have given their full cooperation to our Department in every campaign to promote union

labels, shop cards and buttons and the Union Industries Show. They have opened the columns of the *American Federationist*, the official journal of the American Federation of Labor, and the A. F. of L. Weekly News Service for publicity promoting the official emblems of all national and international unions affiliated with our Department.

Our Department greatly appreciates the hearty response it has received from officials of all Departments and national and international unions affiliated with the American Federation of Labor, the officials of state federations of labor, central labor unions, local labor unions, union label leagues, and the American Federation of Women's Auxiliaries of Labor. Many of these officials have acted on union label committees of various agencies of the American Federation of Labor and have directly and indirectly given their loyal support to the union label cause. Space does not permit specific acknowledgment to all of the officials of various branches of organized labor for the voluntary contribution they have made to our cause. To all who have helped in the union label cause, however, we owe an everlasting debt of gratitude. Members of all unions and their friends are manifesting a growing interest in the purchase of union label goods and the use of union services because they fully realize that it is necessary to buy "back" union label goods if we demand union wages to make them. When they ask us, what can we do to help the union label cause, we simply reply, keep up the good work!

Union label features are issued regularly to all official monthly labor journals and to hundreds of weekly labor and independent newspapers in the United States and Canada. Editorials, cartoons, news items and mats of all union labels, shop cards and buttons are among these releases. With deep gratitude we wish to acknowledge the splendid cooperation the Department is receiving from the publishers and editors of the labor press.

The union label catalogue-directory, a reference book containing listings of union manufacturers, is an official guide issued annually for all officers and members of the American Federation of Labor. It contains facsimiles of all authorized union labels, shop cards and buttons and the names of the officers of the respective national and international unions affiliated with our Department. The directory also contains a list of the officers of the A. F. of L. national and international unions, departments, and state federations of labor.

Union label leagues, chartered directly by our Department, are showing a healthy growth throughout America. Union label activities in many cities are channeled through the league and it becomes a coordinating body or clearing house for the central labor union, local unions, and women's auxiliaries in each city. The Department recommends organization of Union Label Leagues to work in conjunction with the Union Label Committee of the central labor union, local unions, and women's auxiliaries.

The Union Industries Show is the world's largest labor-management exhibition. It is a dramatic combination of brilliant booth displays of union-made goods and interesting demonstrations of union services—together with the qualities that create the spirit of a combined circus and carnival. Unexcelled music is furnished by union bands and entertainment by star union performers add to the unique event in which only A. F. of L. national or international unions and industries with which they have collective bargaining agreements can participate.

Increased requests for exhibit display space and record-breaking attendance require larger auditoriums for future shows. For that reason the Cleveland Public Auditorium—with one-third more floor capacity than any previous auditorium—has been designated for the fourth A. F. of L. Union Industries Show which will be held May 18-22, 1949.

The American Federation of Labor itself had one of the most interesting and streamlined displays at the Milwaukee Exhibition. One of Hollywood's leading designers, who develops displays for the movies and other large industries, was commissioned to construct the A. F. of L. exhibit for a large hall within the Milwaukee Auditorium. Over 2,000 square feet of space was devoted to a presentation of the chief functions of the A. F. of L. and the modern display was presented in a simple, direct and forceful manner. It attracted great interest. The overall objective of the exhibit was to graphically focus the public's attention to major activities of the American Federation of Labor which are organization, legislation, social security, education, international activities as well as research and public relations. There was that "just-around-the-corner" interest in the A. F. of L.'s display area to cause huge crowds to slowly pass through it and study the numerous historical captions and pictorial features which, combined, told the story of what the American Federation of Labor has done and is now doing not only to improve the labor and living standards of its own members but also to better the standards of life for all Americans, as well as to extend the benefits of their democratic way of life to the peoples of the entire world.

There were 370 booths in the five major halls of the Milwaukee Auditorium. The preliminary financing of a Union Industries Show of such magnitude would cost a business organization several hundred thousand dollars. Through the voluntary cooperation of officials and members of every branch and agency of the American Federation of Labor and Women's Auxiliaries of Labor it is successfully accomplished by the relatively small office staff of our Department.

Added to the cooperation among our own members is the powerful support received from union employers who, in some instances, act jointly with the officials of the unions in their respective plants to arrange an attractive exhibit. Management of other industries take on the full responsibility for their exhibit booth. Likewise national and international

unions also have their individual displays. Better labor-management relations are definitely established between employees and employers by these exhibitions and improved public relations is created among the thousands of consumers who visit our shows.

Acknowledgment is hereby given to the President of the United States for his inspiring message endorsing the exhibition; to the governors of Wisconsin and other states, and also to the mayors of Milwaukee and other cities who issued proclamations designating May 10-16—the week of the Union Industries Show—as UNION LABEL WEEK. That period had been declared as Union Label Week by the American Federation of Labor and the Union Label Trades Department. Throughout America, celebrations and other appropriate demonstrations were held simultaneously with the Milwaukee Exhibition.

American Federation of Women's Auxiliaries of Labor held its fourth convention during the week of the Union Industries Show in Milwaukee. It was a constructive and most successful gathering. The delegates and visitors also had an opportunity to visit union labor's exhibition. To a certain degree, the Union Label Trades Department has sponsored the A. F. W. A. L. in order to reduce the expenses of the organization until it has sufficient funds to maintain its executive staff in appropriate headquarters. Mrs. Herman H. Lowe is the president and I. M. Ornburn, secretary-treasurer of the Union Label Trades Department, also acts as secretary-treasurer of the A. F. W. A. L.

State federations of labor, central labor unions and all local unions are urged to form women's auxiliaries so that the American Federation of Labor may have the valuable cooperation of its members in economic, political, and other trade union activities.

BUY UNION LABEL GOODS AND USE UNION SERVICES is our policy expressed in a simple message to the great American Federation of Labor market of millions of consumers with billions of dollars to spend. We urge every member of all affiliated unions of the A. F. of L. and every member of his family constantly to patronize only those firms that display the union label, shop card or button. Thus, intelligent buying through a persistent demand for these official emblems will back up the gains made through collective bargaining by the American Federation of Labor.

MARITIME TRADES DEPARTMENT

The Maritime Trades Department is steadily gaining ground. It has demonstrated that it is a powerful influence in the maritime field.

This Department now has Local Councils at Puerto Rico, New York, N. Y., Savannah, Ga., Greater Chicago Area, New Orleans, La., Detroit, Mich., Milwaukee, Wis., Cleveland, Ohio, State of Washington, Duluth, Minn., Superior, Wis., and a Great Lakes District Council. All units are closely coordinated.

One of the main reasons for the organization of this Department was the desire of the American Federation of Labor affiliates to have a weapon with which to fight Communism. In this respect the Department has been most successful. In view of the international picture (re: Communism), it is rather surprising that more international unions which have waterfront contacts have not seen fit to affiliate themselves with us. However, we are in a very strong position to protect our nation and ourselves with our present set-up.

Recently there has been one disturbing factor in our picture. Briefly, it is as follows: One of our affiliates, the Radio Officers Union, C. T. U., A. F. of L., has carried on a long fight against the Communist-dominated American Communication Association C. I. O. (Radio Officers Union).

METAL TRADES DEPARTMENT

Regardless of the unfavorable and threatening conditions facing the Metal Trades Department of the American Federation of Labor, it is able to report substantial progress during the last fiscal year. The membership of the Department's affiliated international unions has increased. All agreements effective a year ago, have been re-negotiated with acceptable increases in the wage rate, and other material improvements in the conditions of labor.

One unsolved problem is the labor relations of our members employed on atomic energy projects. The huge establishments where these are carried on, are erected and owned by the government. They are administered by the Atomic Energy Commission, which, in turn, enters into contracts with private employers who are then responsible for production.

So far the Atomic Energy Commission has not established an acceptable method for the adjustment of employer-employee disputes. The employer can insist upon terms of employment and conditions of labor which are unacceptable to labor, but because of the national welfare bound up in atomic production, labor cannot strike.

Efforts have been made during the year to prevail upon the Atomic Energy Commission to adopt a labor policy which would enable labor, when conferences with employers proved unsuccessful, to have its case reviewed and passed upon by the Atomic Energy Commission, or an agency which the Commission would create for that purpose.

REPORT OF RAILWAY EMPLOYES' DEPARTMENT

The Railway Employees' Department and its affiliated international organizations have continued to make progress in improving the wages and working conditions of their membership in the railroad industry. The program of revising existing agreements to bring about a greater degree of standardization has been continued. A national movement is in progress to secure a basic forty-hour work week without a reduction

in weekly earnings, with overtime for Saturdays at the rate of time and one-half and for Sundays and holidays at the double time rate, as well as increase in wage rates of 25 cents an hour. The vacation provisions covering the Canadian railway workers have been liberalized as the result of a national movement begun last year, and the wage rates of these employees have been increased substantially. In addition, the Standard Railway Labor Organizations have succeeded in securing the enactment of legislation which provides, among other things, for a liberalization of the retirement benefits being paid to railroad workers.

Progress of Organization

There are now a total of 296 carriers covered by agreements with the Railway Employees' Department and its affiliated international organizations. Of this number 124 are with Class I line haul carriers, 50 are with Class II and Class III line haul carriers, 71 are with switching and terminal companies, 11 are with electric railways and 29 are with miscellaneous carriers including the Railway Express Agency, the Pullman Company, various refrigerator car companies and car and inspection bureaus. There are also 11 carriers covered by agreements in Canada. These agreements cover some 375,000 mechanical trades employees on approximately 95 per cent of the mileage in the United States and virtually all of the railway mileage in Canada.

Because the railroad industry is almost completely organized, the chief emphasis during the past year has been on the revision of existing agreements in order to eliminate substandard wages and working conditions and thus bring about a greater degree of standardization in working conditions. While representation was established for one or more crafts on 13 roads, and new agreements were negotiated on 11 roads, the existing agreements have been revised on a total of 40 roads. Considerable progress has been made, therefore, toward the goal of uniform conditions for all of the mechanical trades employees in the railroad industry.

National Wage-Hour Movement

In addition to the improvements in wages and working conditions which have been secured as the result of negotiations conducted on the individual carriers by the organizations operating through the Railway Employees' Department, a national movement in which the following non-operating Standard Railway Labor Organizations are participating, has been inaugurated to secure the establishment of a basic forty-hour work week and an increase in wage rates:

International Brotherhood of Blacksmiths, Drop Forgers and Helpers.
International Brotherhood of Boilermakers, Iron Shipbuilders and Helpers of America.
Brotherhood Railway Carmen of America.

International Brotherhood of Electrical Workers.
International Association of Machinists.
Sheet Metal Workers' International Association.
International Brotherhood of Firemen, Oilers, Helpers, Round House and Railway Shop Laborers.
International Longshoremen's Association.
National Marine Engineers' Beneficial Association.
Brotherhood of Maintenance of Way Employees.
National Organization Masters, Mates and Pilots of America.
Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees.
Hotel and Restaurant Employees' International Alliance and Bartenders' International League of America.
Brotherhood of Railway Signalmen of America.
The Order of Railroad Telegraphers.
Railroad Yardmasters of America.

The uniform notices, which were served by these organizations on April 10, 1948, on all carriers with which they have agreements, requested that the forty-hour week be established with no reduction in weekly earnings for forty-eight hours, that work performed on Saturdays be paid for at the rate of time and one-half and that Sunday and holiday work be paid for at double time. The carriers were also requested to increase basic rates of pay 25 cents per hour.

In acknowledging the notices served by the organizations, the carriers countered with a proposal to change or eliminate existing rules, agreements and practices affected by the employees' proposals.

In accordance with the provisions of the Railway Labor Act, negotiations have been conducted on each carrier between the representatives of management and the employees. Failing to reach a settlement, they authorized conference committees to represent the involved carriers and organizations respectively, with authority to negotiate the matters in dispute to a conclusion on an industry-wide basis. National conferences are scheduled to begin on September 8, 1948, as our report goes to press.

It should be observed that the railroad industry is virtually the only large industry still on a forty-eight hour week. When the Fair Labor Standards Act was enacted in 1938, railway workers asked to be excluded from the hours provision because it did not require the preservation of weekly earnings when hours were reduced and also because they preferred to handle this matter by collective bargaining. The shortage of manpower during and after the war precluded any reduction in hours and, therefore, the Standard Railway Labor Organizations are now seeking to secure the establishment of a basic forty-hour work week without a reduction in weekly earnings so that railway workers may enjoy conditions which have been secured by the workers in other industries generally.

Canadian Railway Wage and Vacation Movements

In our previous report we outlined the efforts which were being made by all of the Standard Railway Labor Organizations in Canada to liberalize their vacation with pay agreements. The dispute resulting from notices served by these organizations on February 15, 1947, was referred to a Board of Conciliation and Investigation which made a unanimous report on June 30, 1947, recommending that employes with one year service be granted six days vacation with pay, those with three years of service be granted nine days and those with nine years service or more be granted twelve days with pay with the provision that where more favorable conditions existed with respect to vacations with pay, they would not be adversely affected by the Board's recommendation.

When the carriers declined to accept the recommendation of the Board, the organizations referred the dispute to their membership who voted by a large majority for a suspension of work. November 3 was set as the date for withdrawal from the service, but on October 25, 1947, the carriers agreed to put the recommendation of the Board into effect resulting in cancellation of the strike. The principles contained in the agreement of October 25, 1947, were implemented by applying them to the existing vacation agreements in effect between the various organizations and the railways with the new provisions being made effective on January 1, 1948.

Upon conclusion of the vacation movement all of the Standard Railway Labor Organizations in Canada, except the Brotherhood of Locomotive Engineers, immediately began another national movement to secure an increase in rates of pay. In an effort to eliminate the differential which existed between the wage rates of railway workers in Canada and the United States, the 18 organizations participating in this movement served uniform notices on the carriers on November 20, 1947, requesting an increase in basic wage rates of 35 cents per hour.

The Employes Conference Committee conferred with the representatives of the carriers on December 19, 1947, but they declined to grant any increase in rates. Following the unsuccessful efforts of a mediation officer appointed by the National Labor Relations Board to bring about a settlement, the Employes Conference Committee applied for a Board of Conciliation which was appointed by the Minister of Labor on January 30, 1948. Mr. Maurice W. Wright, L. L. B., was named by the Organizations as their representative, Mr. M. M. Porter, K. C., was named by the railways as their representative and the Honorable Mr. Justice J. C. A. Cameron, of the Exchequer Court of Canada, was appointed by the Minister of Labor to act as Chairman in the absence of a joint recommendation of the other two members of the Board.

Hearings were held before the Board in Montreal on March 9 and 10, 1948, at which the parties to the dispute presented their respective briefs.

The Board adjourned its hearings until March 30 when the rebuttal arguments were presented. At the conclusion of the hearing the Board attempted to bring about a settlement of the dispute through conciliation, and being unsuccessful made its report to the Minister of Labor on April 21, 1948. The Majority Report signed by the Chairman and the management member of the Board, recommended an increase in wage rates of 7 cents per hour effective April 8, 1948, while the labor member of the Board in a Minority Report recommended an increase of 20 cents per hour retroactive to December 20, 1947.

The increase of 7 cents per hour recommended by the Majority Report was accepted by the railways but rejected by the organizations as wholly inadequate and after trying unsuccessfully to reach a settlement with the carriers, they referred the dispute to the membership in the form of a strike ballot. They voted overwhelmingly to withdraw from the service unless a satisfactory settlement could be reached. Meanwhile, further efforts by the Board of Conciliation as well as by the Minister of Labor to bring about a settlement proved unavailing, and the involved organizations set July 15, 1948, as the date for a suspension of work.

Through the Minister of Labor, mediation proceedings between the representatives of the railways and the organizations were continued, however, and on July 14, 1948, the day prior to the date set for a suspension of work, an agreement was reached providing for an increase in wage rates of 17 cents per hour retroactive to March 1, 1948. Later as the result of separate negotiations, the Brotherhood of Locomotive Engineers secured an increase of 15½ per cent and a number of changes in rules, which were made effective August 1, 1948.

This is the largest increase ever secured by Canadian Railway Workers and with the liberalized vacations with pay represents substantial progress towards correcting the inequities which previously existed.

Railroad Retirement and Railroad Unemployment Insurance Acts

In the field of legislation, the most significant development which has occurred affecting railroad workers since our last Convention was the liberalization of the benefits provided under the Railroad Retirement Act.

When the second session of the 80th Congress convened in January, 1948, some eleven bills which were introduced during the first session were still "alive." As described in our previous report, most of these bills, which had the support of the carriers and the insurance interests, had as their purpose the crippling of the Railroad Retirement or Railroad Unemployment Insurance Act either by eliminating benefits or by drastically cutting taxes thus endangering the soundness of the funds from which benefits are paid.

The carriers continued to press for the enactment of this legislation and in a further effort to secure a reduction in railroad unemployment insurance taxes, another measure (H. R. 5711) was introduced by Repre-

sentative Simpson on March 4, 1948, calling for a reduction in the tax from 3 per cent to $\frac{1}{2}$ per cent while the balance in the Railroad Unemployment Insurance Account was \$350,000,000 or more; this rate would increase by $\frac{1}{2}$ per cent for each \$50,000,000 that the balance in the account was less than this amount and graduate back to 3 per cent if such balance fell to less than \$150,000,000.

The Standard Railway Labor Organizations not only succeeded in preventing the enactment of this legislation, but took steps to improve both the Railroad Retirement and Railroad Unemployment Insurance Acts.

Recognizing the necessity of providing relief from the mounting cost of living to railroad workers who retired or became sick or unemployed, legislation was introduced by Congressman Robert Crosser at the request of the organizations providing for increased benefits under these laws. On March 16, 1948, he introduced H. R. 5875 amending the Railroad Employment Insurance Act to provide for an increase of 25 per cent in unemployment and sickness benefits. Later, on March 24, 1948, he introduced another measure (H. R. 5993) amending the Railroad Retirement Act to provide for an increase in retirement benefits of 20 per cent, with increases ranging up to 25 per cent for the lowest paid workers, and for the restoration of the former lump sum payment.

The latter provision, which guarantees every employe that he and his survivors will eventually get back in benefits more than he pays in taxes, was eliminated from the 1937 Act by the 1946 Amendment because it was believed that it could not be retained along with the survivor benefits then enacted, without a further increase in taxes. But payrolls had increased to a higher level than was anticipated, making it possible not only to restore this provision but to increase retirement benefits about 20 per cent without any increase in retirement taxes. Neither was any increase in the unemployment insurance contribution (tax) necessary to finance the increase in unemployment and sickness benefits.

On April 2, 1948, S. 2438 and S. 2437, which were companion bills to those introduced by Congressman Crosser, were introduced in the Senate by seven Senators (Aiken, Morse, Ives, Thomas of Utah, Hill, Murray and Pepper). Hearings were held on May 19, 20 and 21 by the Senate Committee on Labor and Public Welfare on these measures, as well as that portion of S. 994 introduced in 1947 calling for a reduction in the railroad unemployment insurance contribution and certain other bills liberalizing retirement benefits, which, however, were objectionable for administrative or financial reasons or because the benefits were not equitably distributed.

No further action was taken by this Committee or by the House Committee on Interstate and Foreign Commerce to which this legislation was referred, and with the Congress planning to adjourn not later than June 19 to attend the party conventions, it became apparent that the legisla-

tion being sought by the Standard Railway Labor Organizations could not be enacted over the opposition of the railroads. But the plight of retired railroad workers was becoming increasingly desperate, requiring immediate relief. Meanwhile, the carriers were seeking relief from what they claimed was a higher tax than was necessary to maintain an adequate fund for the payment of unemployment and sickness benefits and their chances of success were equally dim. Confronted with this situation, the only hope of both the organizations and the carriers to secure the desired relief before Congress adjourned was to agree upon a measure.

Although previous efforts to reach an agreement on proposed legislation had failed, further discussions were held between representatives of the Standard Railway Labor Organizations and the Association of American Railroads and on May 29, 1948, an agreement was reached on a compromise measure. The carriers agreed to support the organizations' proposal to increase retirement benefits by 20 per cent and to restore the lump sum "guarantee" payment substantially in the form provided in the Crosser bill, while the organizations agreed to support the carriers' request for a reduction in railroad unemployment insurance taxes in the manner provided by the Simpson bill, except that the balances in the Railroad Unemployment Insurance Account which would govern the tax rate were increased by \$100,000,000 thus giving added protection to this fund.

Appropriate legislation was immediately drafted and introduced in the House on June 1, 1948, as H. R. 6766 by Congressman Wolverton and as H. R. 6768 by Congressman Crosser. In the Senate the companion bill, S. 2782, was introduced by Senator Taft for himself and Senator Ives; later numerous other Senators attached their names as sponsors. Hearings had been scheduled for June 2 on all bills before the House Committee on Interstate and Foreign Commerce amending the Railroad Retirement and Railroad Unemployment Insurance Acts, but with the introduction of the compromise bill, the Committee, praising the cooperation between labor and management, approved the measure the same day and on June 8 it was passed unanimously by the House. On June 9 the Senate Committee on Labor and Public Welfare reported the bill favorably without holding further hearings and on June 12 the Senate likewise passed it by a unanimous vote. It became law (Public Law No. 744) with the signature of the President on June 23, 1948.

While it was necessary for the organizations to abandon their efforts to secure an increase in benefits under the Railroad Unemployment Insurance Act, this matter was not as pressing, in view of the high level of railroad employment, as the necessity of obtaining an increase in retirement benefits and the restoration of the guarantee payment which, it should be noted, were secured without any increase in taxes.

The increase in retirement annuities was accomplished by changing the annuity formula in the Railroad Retirement Act. Under the old law

an annuity was calculated by adding together 2 per cent of the first \$50 of monthly compensation, 1½ per cent of the next \$100 and 1 per cent of the remainder up to \$150 and multiplying this amount by the years of service. Effective July 1, 1948, under the amended law, the percentages applied to the monthly compensation formula were changed to 2.4 per cent of the first \$50, 1.8 per cent of the next \$100 and 1.2 per cent of the remainder up to \$150, which results in a flat increase of 20 per cent in the monthly annuity.

Minimum annuities are also computed by a new method under the new law resulting in a 20 per cent increase in nearly all cases. The minimum annuity formula provides certain low-paid or short-service employees with a higher annuity than is provided under the regular formula. Under the old law, the minimum annuity was the least of the following: \$50, \$3 times the employees' years of service, or the employees' monthly compensation. Under the amended law the minimum annuity is \$60, \$3.60 times the number of years of service, or the average monthly compensation whichever is the least.

These increases are applicable not only to future annuitants but to all employees now on the pension and annuity rolls of the Railroad Retirement Board.

Another provision insures every employe by means of a residual payment to his survivors that he and his survivors will receive benefits at least equal to the taxes he has paid into the retirement system, plus an allowance in lieu of interest. The amount of this payment is equal to 4 per cent of the employe's taxable railroad earnings, from January 1, 1937, through December 31, 1946, and 7 per cent thereafter, less any retirement annuities previously paid to the employe under the Railroad Retirement Act and any survivor benefits paid with respect to his death under the Railroad Retirement Act or the Social Security Act. In computing the taxable railroad earnings, \$160 is allowed for each month of creditable military service.

This payment is made to a person designated by the employe, or in the absence of a designation, to the widow (or widower), the children (or grandchildren entitled to share with children under State inheritance laws), or the parents, in that order. If no person is alive to receive the payment, it goes to the employe's estate.

The residual payment can be made only when no benefits, or no further benefits, are payable with respect to the employe's death. However, a widow (or parent) entitled to monthly benefits on reaching age 65 on some future date, may at any time before that date elect to waive rights to the future monthly benefits and thereby make the residual payment available immediately. The waiver, however, would not deprive the widow (or parent) of any annuity to which she may be entitled at age 65 on the basis of the employe's social security earnings alone.

In addition, a sliding scale contribution (tax) rate varying from ½ per cent to 3 per cent was substituted for the flat 3 per cent rate in the Railroad Unemployment Insurance Act. This rate is adjusted automatically in accordance with the reserve in the Railroad Unemployment Insurance Account as of September 30 of each year. While the reserve is \$450,000,000 or more, the rate is ½ per cent. For each \$50,000,000 by which the reserve falls below this amount, the rate increases ½ per cent and when the reserve falls below \$250,000,000, the 3 per cent rate is restored. A further change in the law provides for a reduction in the amount available for administrative expenses from 10 per cent of the contribution collected under the former 3 per cent tax rate (that is from 0.3 per cent of the taxable pay roll) to 0.2 per cent of the taxable pay roll regardless of the contribution rate.

GOVERNMENT EMPLOYEES' COUNCIL

The twenty-one unions and associations and the approximately one-half million government employe members have as their purpose and in their activities endeavored to preserve all the economic gains achieved and to foster improved working conditions, including hours of work, salary and wage rates, retirement benefits, U. S. Compensation, leaves and civil service rights of its employes.

The officers of the council and the representatives of the organizations affiliated with the council have cooperated with the legislative staff of the American Federation of Labor in promoting constructive labor legislation and in opposing vicious legislation.

During the last year, the council has held fourteen regular meetings, eight special meetings, fourteen meetings of the officers' committee and approximately fifteen meetings of the legislative, retirement and organization committees.

Since our last report, the two major pieces of legislation enacted into law were, Public Law 426, amending the Federal Retirement Law, and Public Law 900, granting a small increase in salary to the majority of employes of the Federal Government.

The immediate legislative objectives of the Government Employees' Council are to have enacted into law legislation to put Federal pay rates in line with current living costs, modernize and bring up-to-date the United States Compensation Act, and modernization and liberalization of the retirement system.

In the Federal service, employes' activities, by law, have their rights circumscribed beyond that in private employment. Affiliation in the American Federation of Labor affords the protection, the inspiration and the mutual help that will bring about the attainments of the objectives as described in this preliminary report.

WORKERS EDUCATION BUREAU OF AMERICA

The regular biennial convention of the Workers Education Bureau of America was held at the A. F. of L. Building in Washington on April 9, 1948, marking the completion of 27 years of educational service to the American labor movement. President George M. Harrison of the Railway Clerks was elected president of the Bureau. At the 1948 convention, the Executive Committee was enlarged by constitutional revision, and the following additional members were chosen: William C. Birthright, David Dubinsky, James L. McDevitt, Arthur A. Elder, and Lee W. Minton. Following the luncheon session at the Hotel Hamilton, at which President Green and Irvin R. Kuenzli, Secretary-Treasurer of the American Federation of Teachers, were the principal speakers, the afternoon was devoted to a discussion by American Federation of Labor directors of workers' education programs at various levels, from national and international unions through state federations to city central bodies.

The activities of the Bureau for the past two years as reported were evaluated by the delegates and the Bureau received high commendation for the extent and quality of those activities and the well-balanced and realistic educational program carried on under its limited budget.

A summary of the activities since August, 1947, follows:

I. Labor Institutes and Conferences

The program of labor institutes and other conferences in cooperation with state federations of labor, city central bodies, state universities and other educational institutions and community organizations has been continued. The major themes have been the current and acute problems facing Labor; the anti-labor legislation recently enacted on both the national and state levels, and Labor's stake in domestic political action and in international cooperation. Among these institutes were the following:

Pennsylvania. The First and Second Educational Institutes of the Conference of Eastern Pennsylvania Central Labor Unions were held at Franklin and Marshall College in Lancaster September 20, 1947, and at Albright College in Reading March 12-13, 1948.

The Pennsylvania Commercial Drivers Conference, composed of delegates from every Teamsters' local in the state, has held three labor institutes in cooperation with the Pennsylvania State College. The first and second met in Harrisburg, while the third was held on the state college campus.

A labor institute was sponsored by the United Labor Educational Committee of Luzerne County and the State College at Wilkes-Barre on April 24, on "Labor and the Government."

Ohio. At the Third Annual Conference of Federal Labor Unions of Northwest Ohio held in Toledo November 14-15, 1947, under the direction

of the A. F. of L. Regional Director, a detailed action program was discussed and adopted.

Minnesota. The Fifth and Sixth Annual Minnesota Labor Institutes were held at the University of Minnesota December 6-7, 1947, and May 8-9, 1948, under the auspices of the Minnesota State Federation of Labor, the St. Paul Trades and Labor Assembly, the Minneapolis Central Labor Union, and the University of Minnesota. The general topic of the latter was "The Community of Interest Between Labor, Management, and Investor," while the former discussed the Taft-Hartley law and state labor legislation.

California. A Hollywood Film Labor Institute was sponsored by the Hollywood A. F. of L. Film Council and the Institute of Industrial Relations of the University of California in Los Angeles on January 10-11 on the campus of U. C. L. A.

The Institute of Industrial Relations of the University of California, with the joint sponsorship of the A. F. of L. Cannery Workers' Council of Oakland and the University's Department of Institutes, held a Labor Relations and Labor Legislation Institute on April 10 and 11 on the Berkeley campus.

A Summer Labor Institute, under the sponsorship of the California State Federation of Labor and the University, met for the week of July 5-11 at Asilomar, Pacific Grove.

Michigan. The Education Committee of the Michigan Federation of Labor, in cooperation with the State Federation's executive board and the Workers Educational Service of the University of Michigan, conducted an Institute on January 23-24 in Ann Arbor, on federal and state labor laws.

Georgia. The Georgia Federation of Labor sponsored a labor institute in cooperation with the Georgia Workers Education Service in Atlanta on February 7, at which delegates from 14 cities discussed anti-labor legislation at state and national levels.

Kansas. The Kansas Labor Institute, sponsored by the Kansas State Federation of Labor and the University of Kansas, was held on the University campus at Lawrence March 13-14.

The Second Annual Labor-Management Round-Table Conference of Kansas State College met at Manhattan April 9-10, with the endorsement and participation of the Kansas State Federation of Labor.

Connecticut. The First Labor Institute of the Connecticut Federation of Labor was conducted at Yale University in New Haven April 2-3. Such important subjects as the Taft-Hartley law, public relations and Labor's foreign relations were discussed.

Louisiana. The New Orleans Trades and Labor Council held its Third Workers Education Institute at Dillard University on Saturday, April 17.

The general theme was "Labor Prepares for Its Role in a Dynamic Democracy."

New York. The First Annual Labor Institute sponsored by the Southern Lake Erie Conference of A. F. of L. Central Labor Unions was held at St. Bonaventure College near Olean May 1. Over 700 delegates from nearby areas New York, Pennsylvania, and Ohio discussed the high cost of living, the Taft-Hartley Act, and international relations.

Colorado. The Fifth Annual Colorado Labor Institute under the auspices of the Colorado State Federation of Labor and the University of Colorado met in Denver May 6-8. The main topics discussed were the Taft-Hartley Act and spiraling inflation.

Massachusetts. The Seventh Annual Institute of Labor sponsored by the Massachusetts Federation of Labor was held at the College of the Holy Cross in Worcester June 11-13. "Labor's Year of Decision" was the main theme.

New Jersey. The Eighteenth Annual Rutgers Institute of Labor, sponsored by the New Jersey State Federation of Labor and Rutgers University, was held on the University campus at New Brunswick June 14-17. This was the first of these institutes held since the establishment of the Rutgers Institute of Management and Labor Relations last year. The theme, "Labor in a Changing World," was discussed, the first two days being designated as Labor Days and the last two, whose programs were planned jointly by labor and management representatives, as Labor-Management Days. Several sessions were broadcast.

Montana. The Fifth Annual Montana Labor Institute was sponsored by the Montana State Federation of Labor, the Farmers Union, and Montana State University, on the campus of the University at Missoula August 5-7. "Labor in a Changing World" was the Institute theme.

Educational Meetings at Conventions. The Bureau's Annual Conference on Workers Education was held during the A. F. of L. convention in San Francisco in October, 1947. Reports were presented of programs by national and international unions, state federations of labor, city central bodies, workers education enterprises, universities, and the United States Department of Labor. The Bureau also cooperated in setting up two other educational meetings, one on "A People's Tax Program" and the other on "Social Security."

At the 30th annual convention of the American Federation of Teachers in Boston August 13-22, a panel on workers education, led by Director Connors, discussed opportunities for greater service for organized teachers in workers education programs at the local level, and other phases of workers education.

Educational sessions were held or educational programs authorized at the annual conventions of the following state federations of labor: Cali-

fornia, Colorado, Connecticut, Illinois, Indiana, Iowa, Kentucky, Louisiana, Massachusetts, Minnesota, Montana, New Jersey, Oregon, Pennsylvania, Washington and Wisconsin.

Other Conferences. Denver, Colorado—The Sixth Mountain-Plains Conference on Adult Education was held October 20-22, 1947, on the theme "Peace Begins in Our Town." Director Connors participated in the Agriculture, Labor, and Management Workshop session.

An all-day conference to observe the second anniversary of the United Nations General Assembly was held on January 10, 1948. Fifty-four national organizations, of which the Bureau was one, sponsored the conference.

Newark, N. J.—The first forum on labor-management relations conducted by the Institute of Management and Labor Relations of Rutgers University held in the Newark Labor Lyceum on November 21, 1947, with an attendance of 1,500 members of the Essex Trades Council, discussed "Cash Sickness Benefits."

Detroit—The Workers Educational Service of the University of Michigan sponsored a conference for church, labor, and community groups on January 16 and 17, 1948. Four group sessions were held on "Social Action Program for the Churches," "Labor's Program for Human Welfare," "Understanding Industrial Relations in a Technological World," and "Common Community Goals of Labor and the Church."

Urbana, Ill.—The second conference of labor journal editors sponsored by the University of Illinois Institute of Labor and Industrial Relations and the School of Journalism convened on April 23 and 24 for a discussion of topics such as "News Writing," "The Role of the Labor Press," and "Working Standards for Labor Editors."

Chicago—At the 33rd annual meeting of the National University Extension Association held May 2-5, Director Connors participated in the discussions on Industrial Relations and Workers Education.

Des Moines, Iowa—The 23rd annual meeting of the American Association for Adult Education met May 10-12. Mr. Connors served as a member of the Conference Group Staff.

2. Assistance to Labor Organizations, Labor Schools, etc.

By far the greatest share of the Bureau's time and energies is taken up with its counseling service to labor organizations in connection with their educational activities. These include state-wide and nation-wide educational programs, local classes and study groups, lecture courses, forums, essay or scholarship contests, library cooperation, public relations programs, furnishing of speakers, advice on films, radio programs, etc. While it is obviously impossible to mention by name all these projects, the following indicate the type of service performed.

The Bureau cooperates actively with the educational departments of national and international unions. New educational departments have been set up recently, with full-time directors and staffs, by the Brotherhood of Railway Clerks, the Upholsterers' International Union, and the Amalgamated Meat Cutters and Butcher Workmen.

The Bureau has cooperated closely with the new Department of Education and Research of the Colorado State Federation of Labor, now functioning through a full-time director and staff. The Department has set up classes, forums, conferences, etc.; has done valuable research work for Colorado Labor; and also has pioneered in forming a dramatic troupe of union members, who have worked out and recorded an arresting and entertaining 15-minute drama on the Taft-Hartley Act.

The Bureau has continued its close cooperation with the Department of Research and Education of the Kentucky State Federation of Labor. The state federations of Massachusetts and Connecticut are now setting up similar projects.

A developing service is that of assisting various types of labor organizations in essay and scholarship contests for public school pupils, and helping to secure the introduction of courses on the American labor movement in senior high school curricula. Such courses have been introduced in Fall River, Lawrence, and Holyoke, Massachusetts; Minneapolis, Minn.; and Toledo, Ohio.

Examples of essay contests are those sponsored by state federations of labor such as Oregon, Montana, and Massachusetts. In the second year of the Oregon contest, in addition to two \$500 college scholarships awarded to high school seniors on the basis of examinations on labor subjects, three \$50 college entrance awards were made to runners-up. In Montana a state-wide essay contest was sponsored this spring on "Do We Need Labor Unions in a Democracy?" In Massachusetts plans are now drawn for a contest to be held this fall on "Organized Labor's Participation in the Development of Our Nation." This year the Upholsterers' International Union is offering two college scholarships of about \$500 each to members or children of members, with the award to be continued during the three remaining college years should the student maintain satisfactory grades.

On the local level the Rockford (Ill.) Federation of Labor sponsored an essay contest in junior and senior high schools on "Labor and Citizenship," and the Mercer County (N. J.) Central Labor Union set up a \$250 college scholarship for a high school graduate, the child of an American Federation of Labor union member. Examples of scholarship awards offered by local unions are the \$4,000 law school scholarship set up by Local 770 of the Retail Clerks in Los Angeles, available to workers' children not otherwise able to meet such expenses. The Chicago Flat Janitors Union of the Building Service Employees is awarding eight

annual scholarships at Northwestern University to children of members.

The Bureau has continued its cooperation with the labor schools of the country. The Director was a special lecturer this summer at the Workers Education Training Course of the University of Wisconsin School for Workers and has actively participated in the programs of other labor schools.

The Bureau receives numerous requests from labor and other organizations for moving pictures and filmstrips and other visual material on various phases of the labor movement. The Bureau has cooperated with the Hollywood A. F. of L. Film Council in its experimental program for the production of 16-mm labor films. The Director is also serving as a member of the Commission on Motion Pictures in Adult Education, under the American Association for Adult Education, and the Committee on Freedom of the Screen of the Film Council of America.

The large library of books and pamphlets on Labor and allied subjects at its headquarters is being used increasingly by representatives of Labor. The Bureau has aided labor organizations in suggesting suitable volumes for their libraries. We have aided labor groups in establishing cooperative relationships with their public libraries, either by securing labor sections in the library or loan libraries in their union offices or their plants. This cooperation of public libraries with workers education activities is illustrated further by the exhibits of books and pamphlets set up by public libraries through the cooperation of the Bureau at several Labor Institutes. We are also cooperating with university and public libraries in suggesting and furnishing materials and aiding them to establish closer relations with Labor in their communities. Recently the Director was appointed a member of the Joint Committee on Library Service to Labor of the American Library Association, which is now planning more extended assistance to Labor at the local level.

Despite our very small staff, we are able to continue our own research work and also to assist trade union officials and others by providing material for speeches, articles, and radio programs.

Repeated use is made of the Bureau's free registration service for teachers, research workers, and other educational personnel for labor organizations and workers education enterprises.

3. Publications

During the period covered by this report the Bureau has published and distributed the following:

How to Run a Union Meeting—46-p. pocket-size manual on parliamentary procedure, illustrated with cartoons—complete revision of manual originally published in 1923.

Reprinting of *Labor Unions and the Community*—Fannia M. Cohn—

12-p. discussion of the early struggles of workers for their right to organize and of ways labor extends its activities into the community.

Reprinting of *Shop Steward's Manual*—55-p. pocket-size practical manual to assist the shop steward with his job.

Reprinting of *First Steps in Public Speaking*—John M. Clapp—16-p. mimeographed manual for labor union members.

Labor and Education in 1947—28-p. annual supplement issued in cooperation with the American Federation of Labor and the American Federation of Teachers—edited by the Bureau.

Each News Letter, which the Bureau publishes the first of each month, contains a signed article on some phase of workers education. A new monthly feature is "Who's Who in Workers' Education," an informal biographical sketch with photograph of a leader in workers education.

We have published and distributed mid-monthly series of six articles each as follows:

July-December, 1947—Sweden: Laboratory in Economic Democracy—Arnold S. Zander.

January-June, 1948—Labor and the Law—Matthew Woll.

On July 15, 1948, we began publication of a new series of six articles by Arthur A. Elder on "Organized Labor's Stake in Tax Policy." Approximately 100 labor journals have been printing them. Quantity lots have been purchased each month by various labor organizations, as educational material for members.

Ruskin College Scholarships. Five scholarships of approximately \$800 each have been offered to American workers for the academic year 1948-1949 at Ruskin College, Oxford, England, the resident workers education center for British trade unionists. One is provided by the Transatlantic Foundation through Sir Robert Mayer, two by the British Trades Union Congress, and two by an anonymous donor through Mr. Ernest Bevin, British Foreign Secretary.

4. Affiliation and Support of the Bureau

During this year the Bureau has welcomed into affiliation four additional international unions. President Green sent out letters urging all organizations affiliated with the Federation to affiliate with the Bureau. It was largely as a result of his letter sent out early this year that we have added a considerable number of state federations of labor, city central bodies, and local unions to our affiliates. We look forward to an increase of support until every American Federation of Labor organization is affiliated with the Bureau. The Bureau is ready and eager to expand its services and pledges itself to do so with the expansion of its financial resources.

CONCLUSION

It is obvious from this report on the year's work and experiences that we are facing serious economic, political and international problems. We here in the United States have a national community and an economic system radiating vitality, wholesome health, and competence in achieving goals. We are a comparatively young nation as yet untroubled by exhausted natural resources and untouched by decadence. We are experiencing inflation of a serious degree, but our economy is still sound. There are forces, curative in character, which are lowering some prices while still other forces are moving prices upward. By collective effort, with the will and the technical ability to deal with this problem of putting real buying power into wage earners hands, we can keep production at maximum levels, thus promoting higher material standards of living for all.

In the field of government we see a failure on the part of political parties to come to grips with the fundamental, urgent problems which must be met. The most basic of these is the preservation of individual freedom—to see that it is not sacrificed while we regulate our inter-related complexities of modern industry in the general welfare. We must discriminate between human beings and the commodities they produce, never losing sight of the fact that all human activity should promote the welfare of the people.

Growing discontent with existing political procedures and objectives will lead to more practical and effective results, with better understanding of the functions and responsibilities of political government and its relationship to economic government, operating through private organizations.

In the international field we are witnessing the cold terror of a gigantic conspiracy to foist upon unwilling victims a world dictatorship and a Communist regime—this to be accomplished by treachery and aggression and by killing opportunities for freedom.

We who love freedom should lead in defeating this conspiracy. We urge the delegates to this 67th Convention to pledge themselves to serve in the coming crusade for freedom and to pledge their service in initiating

a chain which will unite us all in the maintenance and defense of human life and freedom. Let us arm ourselves for the world crisis with a determination that will make us invincible.

Fraternally submitted,

WILLIAM GREEN,
President.

WILLIAM L. HUTCHESON,
First Council Member.

MATTHEW WOLL,
Second Council Member.

JOSEPH N. WEBER,
Third Council Member.

GEORGE M. HARRISON,
Fourth Council Member.

DANIEL J. TOBIN,
Fifth Council Member.

HARRY C. BATES,
Sixth Council Member.

W. D. MAHON,
Seventh Council Member.

W. C. BIRTHRIGHT,
Eighth Council Member.

W. C. DOHERTY,
Ninth Council Member.

DAVID DUBINSKY,
Tenth Council Member.

CHARLES J. MacGOWAN,
Eleventh Council Member.

HERMAN WINTER,
Twelfth Council Member.

D. W. TRACY,
Thirteenth Council Member.

GEORGE MEANY,
Secretary-Treasurer.

EXECUTIVE COUNCIL, AMERICAN
FEDERATION OF LABOR

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